As filed with the Securities and Exchange Commission on January 21, 2020

Registration No. 333-234731

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

Amendment No. 1
to
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

REYNOLDS CONSUMER PRODUCTS INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	2673	45-3464426
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

1900 W. Field Court
Lake Forest, Illinois 60045
Telephone: (800) 879-5067
Facsimile: (847) 482-7742
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

David Watson
General Counsel
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Lake Forest, Illinois 60045
Telephone: (800) 879-5067
Facsimile: (847) 482-7742
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per share(2)	Proposed maximum aggregate offering price(1)(2)	Amount of registration fee(3)
Common stock, par value $0.001 per share	54,245,500	$28.00	1,518,874,000	$197,150

(1) Includes 7,075,500 shares which the underwriters have the right to purchase to cover over-allotments.
(2) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(a) under the Securities Act of 1933.
(3) Of this amount, $12,980 was previously paid.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

SUBJECT TO COMPLETION, DATED JANUARY 21, 2020

PRELIMINARY PROSPECTUS

47,170,000 Shares

Reynolds Consumer Products Inc.

Common Stock

This is the initial public offering of shares of common stock of Reynolds Consumer Products Inc. Prior to this offering, there has been no public market for our common stock. We anticipate that the initial public offering price will be between $25.00 and $28.00 per share. We intend to apply to list our common stock on the Nasdaq Global Select Market ("Nasdaq") under the symbol "REYN."

Immediately prior to the closing of this offering, Packaging Finance Limited ("PFL") will be our only stockholder. Upon the closing of this offering, PFL will own a majority of the voting power of our common stock. As a result, upon closing of this offering, we will be a "controlled company" as defined under the corporate governance rules of Nasdaq. See "Principal Stockholders."

We have granted the underwriters a 30-day option to purchase up to 7,075,500 additional shares of common stock from us at the initial public offering price, less the underwriting discounts and commissions.

Investing in our common stock involves risks. See "Risk Factors" on page 24.

	Price to Public	Underwriting Discounts and Commissions	Proceeds before expenses, to us(1)
Per Share	$	$	$
Total	$	$	$

(1) See "Underwriting (Conflicts of Interest)" for a description of all compensation payable to the underwriters.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares on or about , 2020.

Credit Suisse **Goldman Sachs & Co. LLC** **J.P. Morgan**

Barclays **Citigroup** **Evercore ISI** **RBC Capital Markets** **HSBC**

Stifel **SunTrust Robinson Humphrey** **Academy Securities**

The date of this prospectus is , 2020

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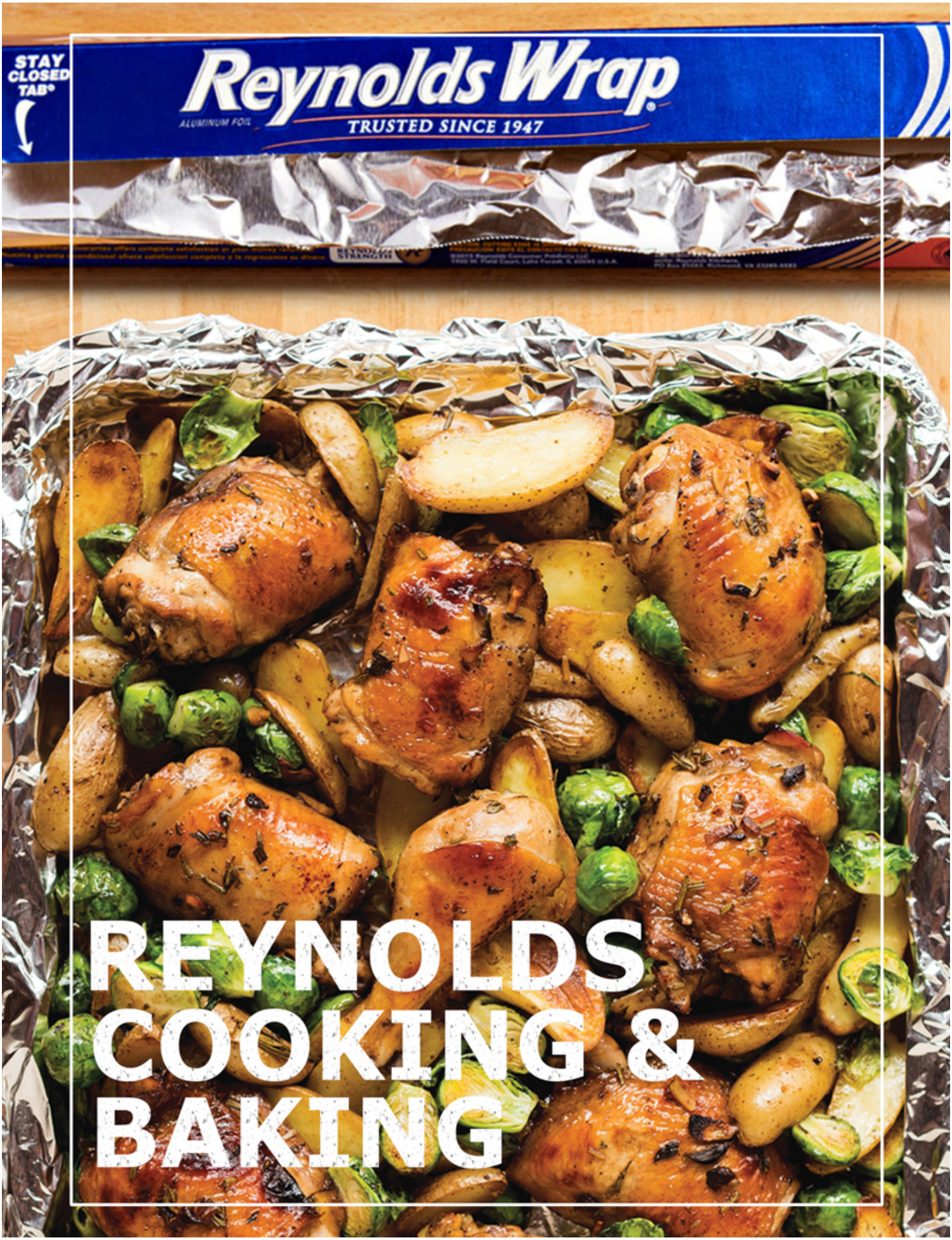

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In this prospectus, "Reynolds Consumer Products," "RCP," the "Company," "we," "us" and "our" refer to (i) prior to the Corporate Reorganization, as defined below, the Reynolds Consumer Group business consisting of the combination of Reynolds Consumer Products Inc. and the operations, assets and liabilities comprising Reynolds Group Holdings Limited's Reynolds Consumer Products segment as reflected in the combined financial statements included elsewhere in this prospectus; and (ii) after the Corporate Reorganization, Reynolds Consumer Products Inc. and its consolidated subsidiaries. We and the underwriters have not authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses we have prepared. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may provide you. We are offering to sell, and seeking offers to buy, shares of common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the common stock.

No action is being taken in any jurisdiction outside the United States to permit a public offering of common stock. Persons who come into possession of this prospectus in jurisdictions outside the United States are required to inform themselves about and to observe any restriction as to this offering and the distribution of this prospectus applicable to those jurisdictions.

Market Share and Other Information

This prospectus includes industry and market data that we obtained from periodic industry publications, third-party studies and surveys, filings of public companies in our industry and internal company surveys. These include government and industry sources. Industry publications and surveys generally state that the information contained therein has been obtained from sources believed to be reliable. Although we believe the industry and market data to be reliable as of the date of this prospectus, this information could prove to be inaccurate. Industry and market data could be wrong because of the method by which sources obtained their data and because

information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. In addition, we do not know all of the assumptions regarding general economic conditions or growth that were used in preparing the forecasts from the sources relied upon or cited herein.

Trademarks and Trade Names

We own or have rights to trademarks, service marks and trade names that we use in connection with the operation of our business. Other trademarks, service marks and trade names appearing in this prospectus are the property of their respective owners. Solely for convenience, some of the trademarks, service marks and trade names referred to in this prospectus are listed without the ® or ™ symbols, but we will assert, to the fullest extent under applicable law, our rights to our trademarks, service marks and trade names.

Presentation of Information

References to "fiscal year 2020," "fiscal year 2019," "fiscal year 2018," "fiscal year 2017" and "fiscal year 2016" relate to our fiscal year ending December 31, 2020 and fiscal years ended December 31, 2019, 2018, 2017 and 2016, respectively. With the exception of the adoption of ASC 606 *Revenue from Contracts with Customers* as of January 1, 2018, the accounting policies set out in the annual combined financial statements included elsewhere in this prospectus have been consistently applied to all periods presented. We adopted the new revenue recognition standard on a modified retrospective basis for all contracts not completed as of the date of adoption, resulting in a $5 million adjustment to Net Parent deficit. There was no other material financial impact from adopting the new revenue recognition standard. See Note 2—Summary of Significant Accounting Policies in our annual combined financial statements included elsewhere in this prospectus for an explanation of the impact of the adoption of ASC 606.

We have made rounding adjustments to some of the figures included in this prospectus. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that precede them. Unless otherwise indicated, all references to "U.S. dollars," "dollars," "U.S. $" and "$" in this prospectus are to the lawful currency of the United States of America.

Non-GAAP Financial Measures

This prospectus contains "non-GAAP financial measures," which are financial measures that are not calculated and presented in accordance with U.S. generally accepted accounting principles ("GAAP").

The Securities and Exchange Commission ("SEC") has adopted rules to regulate the use in filings with the SEC and in other public disclosures of non-GAAP financial measures. These rules govern the manner in which non-GAAP financial measures are publicly presented and require, among other things:

- a presentation with equal or greater prominence of the most comparable financial measure or measures calculated and presented in accordance with GAAP; and
- a statement disclosing the purposes for which the registrant's management uses the non-GAAP financial measure.

Specifically, we make use of the non-GAAP financial measure "Adjusted EBITDA" in evaluating our past results and future prospects. For the definition of Adjusted EBITDA and a reconciliation to net income, its most directly comparable financial measure presented in accordance with GAAP, see "Prospectus Summary—Summary Historical and Unaudited Pro Forma Combined Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—How We Assess the Performance of Our Business."

We present Adjusted EBITDA because it is a key measure used by our management team to evaluate our operating performance, generate future operating plans and make strategic decisions. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management team and board of directors.

Adjusted EBITDA has limitations as an analytical tool, and you should not consider such a measure either in isolation or as a substitute for analyzing our results as reported under GAAP. Some of these limitations include the following:

- Adjusted EBITDA does not reflect every expenditure or contractual commitment;
- Adjusted EBITDA does not reflect changes in our working capital needs;
- Adjusted EBITDA does not reflect any interest expense, or the amounts necessary to service interest or principal payments on any debt obligations;
- Adjusted EBITDA does not reflect income tax expense;
- although depreciation and amortization are eliminated in the calculation of Adjusted EBITDA, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any costs of such replacements;
- Adjusted EBITDA does not reflect the impact of earnings or charges resulting from matters we consider not to be indicative, on a recurring basis, of our ongoing operations; and
- other companies in our industry may calculate Adjusted EBITDA or similarly titled measures differently than we do, limiting their usefulness as comparative measures.

We compensate for these limitations by relying primarily on our GAAP results and using Adjusted EBITDA as supplemental information.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary may not contain all of the information that you should consider before deciding to invest in our common stock. You should read this entire prospectus carefully, including the "Risk Factors" and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections and our combined financial statements and the notes thereto included elsewhere in this prospectus.

Overview

Our mission is to simplify daily life so consumers can enjoy what matters most.

We are a market-leading consumer products company with a presence in 95% of households across the United States. We produce and sell products across three broad categories: cooking products, waste & storage products and tableware. We sell our products under iconic brands such as Reynolds® and Hefty® and also under store brands that are strategically important to our customers. Overall, across both our branded and store brand offerings, over 65% of our revenue for the year ended December 31, 2018 came from products where we hold the #1 U.S. market share position in the category, and in virtually all of our major product categories we hold either a #1 or #2 U.S. market share position by revenue. We have developed our market-leading position by investing in our product categories and consistently developing innovative products that meet the evolving needs and preferences of the modern consumer.

Our mix of branded and store brand products is a key competitive advantage that aligns our goal of growing the overall product category with our customers' goals and positions us as a trusted strategic partner to our retailers. Our Reynolds and Hefty brands have preeminent positions in their categories and carry strong brand recognition in household aisles. The combination of our store brand offerings, the shared goal of category growth and indispensable support in marketing, innovation, branding and promotions has enabled us to achieve the position of category captain level advisor across 29 customers, which represent 73% of U.S. category sales, based on Nielsen all-commodity volume ("ACV") in 2018.

Our leading brand portfolio

Our products are typically used in the homes of consumers of all demographics on a daily basis and meet the convenience-oriented preferences of today's consumer across a broad range of household activities. We help make daily life easier by assisting with preparation, cooking, mealtime and cleanup and by providing convenient storage and indoor/outdoor disposal solutions. Our diverse product portfolio includes aluminum foil, disposable bakeware, trash bags, food storage bags and disposable tableware. Our products are known for their quality, which is recognized by our consumers and retail partners alike. Our consumers know they can rely on our trusted brands. These factors generate loyalty which empowers us to develop and launch new products that expand usage occasions and transition our portfolio into adjacent categories.

We have strong relationships with a diverse set of customers including leading grocery stores, mass merchants, warehouse clubs, discount chains, drug stores, home improvement stores, military outlets and eCommerce retailers. Our customer relationships have been built on a long history of trust. Our portfolio of branded and store brand products allows our retail partners to manage multiple household aisles with a single vendor. Many of our products have had a prominent position on the shelves of major retailers for decades and have become an integral part of household aisles. We believe our strong brand recognition and customer loyalty lead to robust product performance.

As a category captain level advisor for many of our retail partners, we provide the insights retailers require to grow entire product categories. We provide our customers with category management expertise, including assortment analytics and promotion strategies, which is supported by innovation and consumer-focused insights. We believe that championing our categories helps cement our retailer relationships and will drive growth across all of our product lines. This approach, combined with our leading products, capabilities and service, further differentiates us from our competitors.

While our products have been trusted for generations, we place significant emphasis on constantly improving them. Innovation is a key component of our corporate culture and we aim to continually evolve across our segments through both the introduction of new features on our existing product portfolio and the development of new product solutions. Our objective is to generate 20% of our revenue each year from new products introduced within the prior three years. All of our key product lines include newly developed innovative products such as our Hefty Ultra Strong™ trash bags, Reynolds KITCHENS® Slow Cooker Liners, Parchment Pop Up Sheets, 75% Unbleached Compostable Parchment Paper, Hefty branded party cups, store brand party cups and our Presto store brand square-shaped snack bags. We believe our commitment to innovation has driven our growth and is a key reason why consumers continue to choose our products.

We put safety first, treat people with respect and act ethically to operate a business that is sustainable for the long-term. We never compromise our values in the face of market forces and we remain committed to strong rules of governance. We strive to operate with respect for the environment, and we are committed to sustainability across three key areas: our product portfolio, supply chain and communities. We currently deliver sustainable solutions across all of our product lines and are focused on innovation that further develops the eco-friendly profile of our product portfolio.

We have an attractive financial profile with steady, organic revenue growth, robust margins and disciplined capital expenditures. These attributes allow us to generate significant free cash flow. In the year ended December 31, 2018, we generated $3.1 billion in revenue, $176 million in net income and $647 million in Adjusted EBITDA. For the nine months ended September 30, 2019, we generated $2.2 billion in revenue, $135 million in net income and $441 million in Adjusted EBITDA. Since 2014, our income from operations margin and Adjusted EBITDA margin have grown by 364 and 242 basis points to 16% and 21%, respectively, in the year ended December 31, 2018. We have driven margin expansion mainly through our consistent focus on improving operational efficiency, managing costs throughout the cycle and driving innovation. Our revenue, net income and Adjusted EBITDA in the year ended December 31, 2018 reflect compound annual growth rates (“CAGR”) of 2.2%, 110.3% and 5.5%, respectively, since 2014. In the year ended December 31, 2018, we generated $530 million of net cash provided by operating activities and spent $82 million on capital expenditures. See “—Summary Historical and Unaudited Pro Forma Combined Financial Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—How We Assess the Performance of Our Business” for a reconciliation of Adjusted EBITDA to net income.

Our 'Reyvolution' Culture

We have a unique corporate culture that aims to continually reinvent and optimize our business. We have formalized our approach into an ethos we refer to as 'Reyvolution.' Reyvolution is an all-encompassing way of thinking, planning and evaluating our operations to accelerate future growth through product innovation, process automation and cost reduction. Through this disciplined process and mindset, we aim to drive revenue growth, market share increases and margin expansion. We are focused on long-term planning and goal-setting strategies as well as our near term operating results. We believe it is critical to embrace new technology and, through this program, we have made significant investment across our business to accelerate optimization opportunities. Reyvolution is focused on four key areas:

- **Growth**—support our products and customers through a holistic approach to our categories
- **Innovation**—reinforce our existing product portfolio with new and on-trend products
- **Cost reduction**—optimize our processes to drive increased profitability
- **Automation**—continuously refine our manufacturing base to increase efficiency

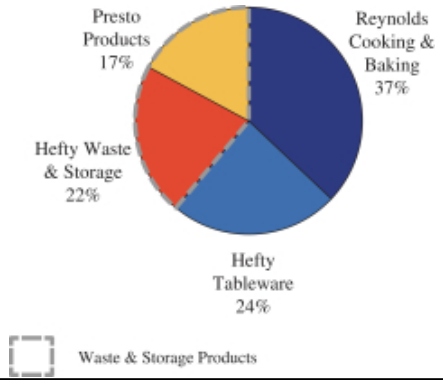
Reyvolution includes a collective, cross-functional effort to drive growth across our business. This systematic program includes collaborative partnerships across our business units, monthly meetings with top executives and rigorous measurement of initiatives and progress against internal benchmarks. The program has yielded significant results both on the top and bottom line. From January 1, 2017 to September 30, 2019, the impact of Reyvolution was approximately $246 million of Adjusted EBITDA benefit. Of the total, $179 million was generated through cost savings across our businesses, with $67 million of Adjusted EBITDA being generated through revenue initiatives. Our Reyvolution strategic initiatives also include internal goals for innovation. Our objective is to generate 20% of our revenue each year from new products introduced within the prior three years. In fiscal year 2018, 21% of our revenue was generated from products that were less than three years old. Reyvolution will continue to impact everything we do on a daily basis.

Our Segments and Products

The pie charts below show the breakdown of our revenue for the fiscal year ended December 31, 2018 by our segments and products.

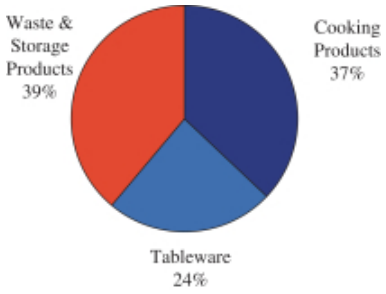
Our segments

FY2018 revenue



Our products

FY2018 revenue



Our Segments

We manage our operations in four reportable segments: Reynolds Cooking & Baking, Hefty Waste & Storage, Hefty Tableware and Presto Products.

- ***Reynolds Cooking & Baking***: Our namesake Reynolds Cooking & Baking segment ("Reynolds Cooking & Baking") generated $1.2 billion in revenue and $234 million in Adjusted EBITDA (a 20% Adjusted EBITDA margin) for the year ended December 31, 2018 and has grown its revenue at a 4.7% CAGR from 2016 to 2018. Through our Reynolds Cooking & Baking segment, we produce branded and store brand foil, disposable aluminum pans, parchment paper, freezer paper, wax paper, plastic wrap, baking cups, oven bags and slow cooker liners. Our branded products are sold under the Reynolds Wrap®, Reynolds KITCHENS and E-Z Foil® brands in the United States and selected international markets, under the ALCAN® brand in Canada and under the Diamond® brand outside of North America. With our flagship Reynolds Wrap products, we hold the #1 market position in the U.S. consumer foil market measured by revenue and volume. We have no significant branded competitor in this market. Reynolds is one of the most recognized household brands in the United States and has been the top trusted brand in the consumer foil market for over 70 years, with greater than 50% market share in virtually all of its categories. This sustained leadership provides us with a platform for continued product innovation and expansion into adjacent categories. Reynolds Wrap has been one of the most trusted household brands in the United States since 1947, and Reynolds has aided brand awareness of 98%, according to a 2015 brand awareness study.
- ***Hefty Waste & Storage***: Our Hefty Waste & Storage segment ("Hefty") generated $696 million in revenue and $172 million in Adjusted EBITDA (a 25% Adjusted EBITDA margin) for the year ended December 31, 2018 and has grown its revenue at a 1.8% CAGR from 2016 to 2018. Through our Hefty segment, we produce both branded and store brand trash and food storage bags. Our products are sold under the Hefty Ultra Strong, Hefty Strong Trash Bags, Hefty Renew and Hefty Slider Bags brands. Hefty is a well-recognized leader in the food storage bag and trash bag categories. We have the #1 market share in U.S. outdoor trash bags. Our robust product portfolio includes a full suite of indoor and outdoor and contractor bags. It also includes sustainable solutions such as blue and clear recycling bags, compostable bags, bags made from recycled materials and the Hefty EnergyBag® Program.
- ***Hefty Tableware***: Our Hefty Tableware segment ("Tableware") generated $757 million in revenue and $168 million in Adjusted EBITDA (a 22% Adjusted EBITDA margin) for the year ended December 31, 2018 and has grown its revenue at a 3.3% CAGR from 2016 to 2018. Through our Tableware segment, we sell both branded and store brand disposable and compostable plates, bowls, platters, cups and cutlery. Our Hefty branded products include dishes and party cups. Hefty branded party cups were the #1 party cup in America by market share as of September 28, 2019. Our branded products use our Hefty brand to represent both quality and great price, and we bring this same quality and value promise to all of our store brands as well. We sell across a broad range of materials and price points in all retail channels, allowing our consumers to select the product that best suits their price, function and aesthetic needs.
- ***Presto Products***: Our Presto Products segment ("Presto") generated $539 million in revenue and $85 million in Adjusted EBITDA (a 16% Adjusted EBITDA margin) for the year ended December 31, 2018 and has grown its revenue at a 2.8% CAGR from 2016 to 2018. Through our Presto segment, we primarily sell store brand products in four main categories: food storage bags, trash bags, reusable storage containers and plastic wrap. Presto is a market leader in food storage bags and differentiates itself by providing access to category management, consumer insights, marketing, merchandising and R&D resources. As a result, through Presto we had a 57% share of the U.S. store brand food storage bag category and a 26% share of the total category as of September 28, 2019. Our store brand products are national brand equivalent (or better) and we offer consumer-desired features, including compostable bags and products made with plant-based and recycled materials. Our Presto segment also includes our

growing specialty business, which serves other consumer products companies by providing Fresh-Lock® and Slide-Rite® resealable closure systems. We have extended our innovative product technology from our food storage bag products and are growing it through this unique channel.

Our Products

Our portfolio consists of three main product groups: waste & storage products, cooking products and tableware. All of our key product lines include newly developed innovative products. We have the #1 branded market share in product categories that comprised over 65% of our total revenue in fiscal year 2018. We are also a leading store brand supplier in many of the same categories.

Our key product categories			
	Waste & storage products	**Cooking products**	**Tableware**
FY18 revenue (in millions)	$1,226	$1,159	$757
FY16—FY18 revenue CAGR	2.5%	4.7%	3.3%
Brands	Hefty, Presto, FreshLock Slide-Rite, Diamond	Reynolds Wrap, Reynolds Kitchens, Alcan, Diamond, EZ Foil	Hefty
Products	 Indoor bags  Outdoor bags  Sustainable bags  Slider storage bags  Press-to-close storage bags  Reusable storage containers	 Aluminum foil  Aluminum bakeware  Parchment paper  Slow cooker liners  Oven bags  Freezer paper  Wax paper	 Party cups  Tableware  Sustainable tableware  Platters  Cutlery

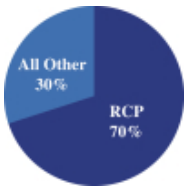
Our Competitive Strengths

Leading market positions in attractive consumer categories reinforced by well-recognized, iconic brands that resonate with consumers

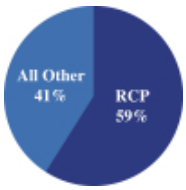
We hold the #1 or #2 market position by revenue in virtually all of our product categories and are well positioned to capitalize on their growth. Over 65% of our revenue comes from products that are #1 in their respective categories. We invest in both our branded and store brand products, which allows us to focus on growing the entire product category. We have preeminent market positions across both branded and store brand products with total market share of 44% across all of our major product categories for the 52 weeks ended September 28, 2019.

Leading market share in core categories across both branded and store brand
(% total combined market share for the 52 weeks ended September 28, 2019)

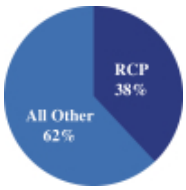
Aluminum foil
(Total category: $809 million)



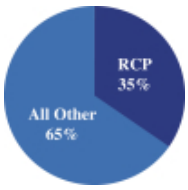
Convenience cooking
(Parchment, wax and freezer paper, slow cooker liners, oven bags and baking cups)
(Total category: $264 million)



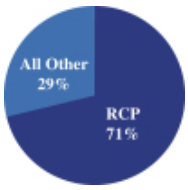
Trash bags
(Total category: $2,675 million)



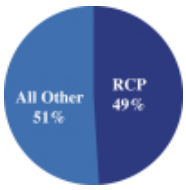
Food storage bags
(Total category: $1,638 million)



Foam dishes
(Total category: $741 million)



Plastic cups
(Total category: $595 million)



Source: Nielsen xAOC last 52 weeks ended September 28, 2019.

We participate in large and growing consumer product categories, with an average growth rate of 3.4% year-over-year from the 52 weeks ended September 29, 2018 to the 52 weeks ended September 28, 2019. Our categories continue to experience consistent growth, with foil and food storage bags growing at 4.6% and 2.0%, respectively, year-over-year from the 52 weeks ended September 29, 2018 to the 52 weeks ended September 28, 2019. Our categories are supported by strong demographic profiles, consumer demand for convenience and evolving consumer needs. We continue to drive category growth through our innovation driven new product development and relationships with leading retailers.

Our iconic brands, such as Reynolds and Hefty, have developed strong brand recognition within their categories. Our brands are recognized across all demographics and generations for their quality, strength and reliability. Reynolds Wrap has been one of the top trusted household brands in the United States since 1947. According to a 2015 brand awareness study, Reynolds Wrap has aided brand awareness of 98%. Additionally, Hefty has aided brand awareness of 95%, according to a 2017 brand awareness study.

Our brands have #1 positions across nearly all our categories

Category	Brand	Position	Brand share of total category
Aluminum foil (U.S.)	Reynolds Wrap	#1	64%
Aluminum foil (Canada)	ALCAN	#1	72%
Parchment paper	Reynolds Kitchens	#1	51%
Wax paper	Reynolds Kitchens	#1	59%
Slow cooker liners	Reynolds Kitchens	#1	77%
Oven bags	Reynolds Kitchens	#1	93%
Freezer paper	Reynolds Kitchens	#1	94%
Slider bags	Hefty	#1	34%
Party cups	Hefty	#1	22%
Foam dishes	Hefty	#1	43%
Trash bags	Hefty	#2	20%

Source: Nielsen xAOC last 52 weeks ended September 28, 2019.

Long-term strategic relationships with a diverse set of leading customers

Our customer relationships across leading grocery stores, mass merchants, warehouse clubs, discount chains, drug stores, home improvement stores, military outlets and eCommerce retailers are based on a long history of trust. With many of our customers, we have maintained an ongoing relationship since the inception of our Reynolds brand over 70 years ago. Our experienced sales force, which averages over 10 years of experience at RCP, and the superb service we provide our customers drive our superior levels of ongoing customer satisfaction. The majority of our products are made in the United States, and our strategically located national manufacturing footprint provides logistics advantages and certainty of supply for our retail partners. Our short supply chain relative to competitors and the vendor-managed inventory we offer our major customers are highly valued by our customers because it reduces the inventory they have to carry and limits product shortages.

We have over 70 years of technical knowledge about our products. We deploy this experience across our business segments to deliver custom innovation solutions. This, together with our low cost manufacturing capabilities and consistent product quality, enables us to provide our customers with a compelling value

proposition. For example, in addition to our renowned branded products, our store brand products are subject to the same high degree of quality control as branded products and as a result consistently receive a "Pass" rating when tested against the national brands at third-party laboratories.

We work to make not only our individual products successful but also to provide our retail partners with the insights and recommendations they need to grow entire product categories. We provide our retailers with category management expertise that is supported by innovation and consumer focused insights and includes assortment and promotion strategies. Our ability to provide best-in-class shopper insights directly results in stronger customer loyalty.

We believe these value-added services differentiate us from our competitors and strengthen our customer relationships. This is evidenced by our relationships with our largest retail customers, who we partner with to sell our branded products and to produce their store brand products.

Demonstrated track record of new product development

We have a strong track record of innovation, focused on the addition of innovative features to our existing products and the development of new products that address consumers' unmet needs. Additionally, we strive to further enhance our core product portfolio. We are able to identify emerging consumer trends through our extensive consumer insights, allowing us to develop products with the features and functions that consumers are looking for. We believe we were the first to introduce a food storage bag, the first to introduce a slider closure on food storage bags, the first to introduce the drawstring trash bag, the first to introduce the "gripper" feature on trash bags, the first to add an unscented odor block feature to trash bags and the first to add non-stick coating to aluminum foil. We have a robust track record of developing and launching successful new products.

Hefty Ultra Strong	Reynolds KITCHENS Slow Cooker Liners	Store brand square snack bags
		
• Addresses top consumer dissatisfactions such as odors, drawstring breaks and bag tears	• Addresses key pain point of soaking/scrubbing the slow cooker	• Addresses consumer need for taller bags that can fit a larger assortment of snacks in terms of size and shape
• Utilizes Arm & Hammer® patented odor neutralizer for revitalized scents	• BPA-free product that offers convenience for household meal preparation	• Unique square shape that is easier to fill and close and offers more optionality than rectangular bags
• Uses active tear-resistant technology and higher grade resin for stronger bags and improved performance	• Provides fast and easy clean up in seconds	• Multipurpose storage that seals in flavor and freshness for food items

We have invested considerable resources to develop proprietary products and efficient manufacturing capabilities and we actively protect our intellectual property. We have a significant number of registered patents and registered trademarks, including Reynolds and Hefty, as well as several copyrights, which, along with our trade secrets and manufacturing know-how, help support our ability to add value within the market and sustain our competitive advantages. We also look to partner with both our suppliers and customers to drive innovation through the entire supply chain.

As sustainability becomes more central to the consumer's purchasing decision, we remain focused on developing new eco-friendly products, and we are continuously investing in our capabilities to improve our ability to utilize recycled materials. We currently have environmentally friendly options across the vast majority of our product categories, such as compostable trash bags and store brand bags made from plant-based resins and recyclable materials. We have a strong pipeline of new products in development, many of which are part of our broader sustainability initiatives.

Innovation is a significant component of our culture and is further instilled through Reyvolution. We have devoted significant resources towards this endeavor and believe that our highly experienced R&D teams will remain on the cutting edge.

Well-invested manufacturing footprint that serves as a competitive moat

We have a robust and well invested manufacturing footprint which includes 17 manufacturing facilities and over 5,000 employees. Our facilities are strategically located across the United States and Canada, and the majority of our products are proudly made in the United States. Our low-cost and efficient manufacturing facilities enable us to optimize distribution, minimize lead times and reduce freight costs. This significant production base, built over decades, positions us well versus our competitive peer set. We estimate that it would require more than $2.5 billion to replicate our manufacturing assets, and we believe it would be exceedingly difficult to replicate our proprietary manufacturing know-how and in-house developed technology that enable us to run our facilities faster, with greater automation and with higher quality control. Our unique manufacturing capabilities enable us to produce a broad selection of differentiated products that help drive growth while providing a substantial barrier to entry.

Through Reyvolution, we are focused on lean manufacturing initiatives to reduce material usage, improve uptime and increase productivity across every site. We are heavily automated today and are committed to further investments in automation, including recent initiatives focused on the automation of repetitive manual tasks to increase operating efficiency and consistency, while protecting ourselves from labor fluctuations. Our automation processes and proprietary manufacturing technologies are difficult for competitors to replicate.

Our operations have significant scale and substantial vertical integration, which provides us with competitive advantages. Our substantial vertical integration gives us increased independence from suppliers and the ability to control costs more efficiently. It also partially insulates us from import volatility. We have a robust network of suppliers allowing us to be nimble in our input material purchasing.

Attractive financial performance with strong free cash flow generation

We have an attractive financial profile with steady organic revenue growth, strong margins and disciplined capital expenditures. These attributes allow us to generate robust free cash flow.

Since 2014, our income from operations margin and Adjusted EBITDA margin have grown by 364 and 242 basis points to 16% and 21%, respectively, in the year ended December 31, 2018. We have driven margin expansion mainly by managing costs, increasing our volumes and manufacturing efficiency and driving innovation. We are able to deliver attractive Adjusted EBITDA margins due to the high value-added nature of our products. We defend our margin position through innovation driven growth, cost savings and effective purchasing. The vertically integrated nature of our business provides further insulation for our margin profile.

We plan to continue leveraging Reyvolution to deliver incremental operational productivity savings, improve our business mix and increase the effectiveness of our sales force. Historically our business has relatively low capital expenditure requirements, averaging $60 million per year over the past three fiscal years, which drives our high rate of free cash flow conversion. We plan to continue to manage our costs, working capital and capital expenditures to deliver strong free cash flow.

Commitment to sustainability and values

We put safety first, treat people with respect and operate ethically to help ensure that we manage our business on a sound long-term foundation. We never compromise our values, regardless of market forces, and we remain committed to strong rules of governance. We manage our business for long-term results, as evidenced by the robust Reyvolution initiative pipeline across all facets of our business. We believe corporate responsibility is the obligation of all employees. Our management team is committed to maintaining our culture, which has been an important component of our success.

We strive to operate with respect for the environment and are committed to sustainability across three key areas: our product portfolio, supply chain and communities. We engage with our employees and partner with our customers to explore sustainability topics like plant and distribution route efficiency. We participate at the forefront of emerging municipal programs that generate new community based solutions and also end-to-end recycling solutions with our Hefty EnergyBag Program in partnership with a key supplier. We are longstanding members of the Sustainable Packaging Coalition®, an industry working group dedicated to a more robust environmental vision for packaging, and the Forest Stewardship Council through their voluntary program for responsible forest management. We are committed to using recycled, renewable, recyclable, compostable and other sustainable materials in our products, which drives our product-oriented sustainability initiatives. In 2018, 43% of the products that we sold in the United States were compostable, recyclable and/or made from recyclable material.

Management team with a strong track record of innovation-driven growth

We have a deep bench of talented managers led by Lance Mitchell, our President and Chief Executive Officer, who has over 35 years of industry experience. Both our CEO and CFO have played a pivotal role in the successful integration of the Reynolds and Hefty businesses. We have continued to assemble a leading team through strategic hires and have expanded our organizational capabilities in new product development. Through the lens of Reyvolution, our management team is focused on their vision for RCP, which includes a culture of innovation, excelling at quality and service, creating products people love and constantly evolving the business. Our management team's key accomplishments include integrating, developing and growing a company with a strong ethics-driven and safety-focused culture while still achieving best-in-class market share and strong financial results. In addition, we attribute our lower than industry standard turnover rates to our collaborative, trustworthy company culture and our unwavering commitment to safety and to our people. Our strong management team is well positioned to effectively manage the business into the future with a depth of talented and dedicated employees already primed to lead the next generation of RCP.

Our Business Strategies

Key elements of our business strategy include:

Champion our categories and grow with our customers

We participate in large consumer categories with strong household penetration. Our combined branded and store brand share is significant in our categories. Our products appeal to consumers of all demographics and have a multitude of usage occasions. Our scale across household aisles and ability to offer trusted branded and store brand products enable us to grow the overall category and has earned us the opportunity to provide category captain level advisor insights at the majority of our retail partners. Our respected and trusted category managers provide our customers with category management expertise, insight and analytics to help them drive consumer traffic and spending. Through marketing and consumer education strategies, both inside the store and out, we expand usage occasions and stimulate consumption. Our new product innovation drives incremental growth within our categories. These factors and our focus on offering a high quality portfolio of branded and store brand products provide tremendous value to our retailers versus our competition.

Continued investment behind our market-leading brand portfolio

We have iconic brands and a proven ability to innovate, which enable us to approach adjacencies strategically and enhance our brand relevance with consumers. We plan to continue our investment in marketing and advertising to grow the revenues of our product offerings and the categories in which they participate. Our innovative approach to advertising, and early adoption of new channels such as digital, social media and experiential events, have addressed the full range of consumer constituents and resulted in powerful penetration growth, market share growth and increased usage occasions, even in some of our more mature categories. For example, we have worked closely with advertisers to integrate aluminum foil, parchment paper, slow cooker liners and oven bags into recipes, which has resulted in over 40,000 integrated online recipes which offer simplified solutions in the kitchen. Additionally, our successful Hefty advertising campaigns have driven a 5% market share growth in the trash bag category over the last four years. We have a strong competency in measuring, monitoring and improving the efficiency of our marketing spending through internal proprietary analytical techniques. We believe there is a significant opportunity to use our existing brand equity and expand into adjacent categories.

Strengthen presence across distribution channels

In addition to traditional grocery, we believe there is significant opportunity to expand within the club, home improvement, dollar-store and eCommerce channels across our full product portfolio. Building on Hefty's brand dominance in large trash bags, we have provided new consumer insights to the home improvement and club channels, which have generated growth and new distribution. For example, the introduction of the new Hefty Load 'n Carry product in the home improvement channel has energized Hefty's relationships with DIYers and generated significant interest from these retail partners. Additionally, we see opportunity for our Reynolds products in the home improvement and club channels, with recent new customer wins and stock keeping unit ("SKU") expansion driving future growth.

eCommerce penetration is expected to increase, due to the convenience of online ordering and subscription delivery, particularly for easy-to-ship household product categories. Given our strong relationship with online retailers, we are well-positioned to compete profitably and gain share in this growing channel. We provide both branded and private brand products through this channel to address the consumer's need for convenience and value. Furthering our eCommerce strategy, we recently launched a full line of store brand aluminum foil, trash bags and food storage bags as the exclusive supplier to the eCommerce leader. Additionally, most of our products are compatible with the eCommerce channel because they are shelf stable and efficient to transport. The recurring nature of consumer purchase cycles for our products positions us well to capitalize on continued growth of grocery pickup and subscription services.

Finally, given our brand strength, technical expertise and the extensive use of products within our categories around the world, we see opportunities to selectively expand internationally. We currently sell to 54 countries around the world; however, this currently represents a small percentage of our annual revenue. During fiscal year 2018, North America represented 99% of our total sales. We estimate our addressable market outside the United States and Canada to be approximately $7.3 billion.

Drive growth through new and innovative products

We are an innovation driven company, and through Reyvolution, new product development plays a significant role in our growth strategy. Our innovation capabilities, combined with our investments in consumer-focused market research, will allow us to continue our track record of successful new product launches. We proactively collaborate with our retail partners on customized product innovation. Our product innovation pipeline focuses on use occasions including meals and snacks on-the-go as well as sustainability and the needs of

the millennial consumer. Our objective is to generate 20% of our revenue each year from new products introduced within the prior three years. In fiscal year 2018, 21% of our revenue was generated from products that were less than three years old.

More recently, through Hefty, we launched a new Ultra Strong product line that takes advantage of our triple action technology, which Nielsen awarded the 2018 Innovation Award (one of only 25 nationally). Our Reynolds KITCHENS Parchment Pop Up Sheets and Presto store brand square-shaped snack bags have been great successes with consumers, providing products better aligned with usage needs than the existing options on the shelf. Furthermore, Hefty sliders storage bags with the Stand & Fill feature, launched in 2019, are preferred over the competition by 73% of consumers.

We have focused much of our innovation efforts around sustainability, and we offer a broad line of products that are better for the planet. We are focusing on products made with recycled, renewable, recyclable and compostable materials. For example, we recently launched 75% Unbleached Compostable Parchment Paper and redesigned our Hefty party cups to reduce the plastic by 10% while maintaining strength.

Systematically improve operational efficiency and reduce cost

We have cultivated a continuous improvement mindset oriented towards cost reduction, productivity improvements and lean manufacturing. We are focused on improving the ways in which we develop and manufacture products with data-driven decision making and robust lean business principles. Deep manufacturing expertise across our portfolio provides us with trade secret manufacturing know-how that delivers technical advantages and a low-cost competitive position. Our scale enables us to purchase inputs efficiently and increases our purchasing flexibility. We have implemented a simplified go-to-market strategy that fully leverages our customer relationships and scale and reduces overhead. We also continue to invest in automating repetitive manual tasks to increase operating efficiency and consistency, while reducing our exposure to labor fluctuations. We use digital capabilities to significantly improve our operational efficiency and effectiveness. We have launched an “intelligent factory program” to establish an integrated, data-driven culture that transforms our operations through digitally-connected people, assets and processes.

Drive shareholder returns through balanced capital allocation

We believe our strong free cash flow enables us to invest in and grow our business organically, reduce our indebtedness and pursue strategic M&A to create value for our stockholders. We also expect to return capital to our stockholders through regular dividend payments. We expect to pay a regular quarterly cash dividend on our common stock, subject to declaration by our board of directors. For fiscal year 2020, we expect to pay a quarterly cash dividend of $0.223 per share. However, we expect the initial dividend for the quarter ending on March 31, 2020 to be a prorated cash dividend for the period beginning on the first day of trading of our common stock on Nasdaq and ending on the last day of that period. We expect this initial dividend to be approximately $0.15 per share. See “Dividend Policy” for additional details.

Recent Developments

Preliminary Estimated Unaudited Combined Financial Results for the Three Months and the Year Ended December 31, 2019

Our preliminary estimated unaudited combined Net revenues, Net income and Adjusted EBITDA for the three months and year ended December 31, 2019 are set forth below. We have provided a range for these preliminary financial results because our closing procedures for our fiscal quarter and year ended December 31, 2019 are not yet complete. Our preliminary estimates of the combined financial results set forth below are based solely on information available to us as of the date of this prospectus and are inherently uncertain and subject to

change. Our preliminary estimates contained in this prospectus are forward-looking statements. Our actual results remain subject to the completion of management's final review and our other closing procedures, as well as the completion of the audit of our annual combined financial statements. Accordingly, you should not place undue reliance on these preliminary financial results, which may differ materially from actual results. See "Risk Factors", "Special Note Regarding Forward-Looking Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for a discussion of certain factors that could result in differences between the preliminary estimated unaudited combined financial results reported below and the actual results. Our actual audited combined financial statements and related notes as of and for the year ended December 31, 2019 are not expected to be filed with the SEC until after this offering is completed.

These preliminary estimates are not a comprehensive statement of our combined financial results for the three months and the year ended December 31, 2019, and should not be viewed as a substitute for full financial statements prepared in accordance with GAAP. In addition, these preliminary estimates for the three months and the year ended December 31, 2019 are not necessarily indicative of the results to be achieved in any future period. Our actual financial results for the three months and year ended December 31, 2019 may differ from these preliminary estimates due to the completion of our financial closing procedures, final adjustments and other developments that may arise between the date of this prospectus and the time that financial results for the three months and year ended December 31, 2019 are finalized.

The preliminary financial data included in this prospectus has been prepared by, and is the responsibility of, our management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to this preliminary financial data. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto.

	For the three months ended December 31,			For the year ended December 31,		
	2019		2018	2019		2018
(in millions)	Low (estimated)	High (estimated)	(actual)	Low (estimated)	High (estimated)	(actual)
Preliminary Estimated Statement of Income Data:						
Net revenues	$827	$843	$907	$3,024	$3,040	$3,142
Net income	$85	$89	$84	$220	$224	$176
Adjusted EBITDA (non-GAAP)	$209	$219	$224	$650	$660	$647

Three Months Ended December 31, 2019 Compared with the Three Months Ended December 31, 2018

For the three months ended December 31, 2019, we expect Net revenues to be in the range of $827 million to $843 million compared to $907 million in the three months ended December 31, 2018. The expected decline in Net revenues was primarily due to unusually high demand in the three months ended December 31, 2018 as customers increased inventory levels due to uncertainty regarding availability of future transportation. As expected, this trend did not repeat in the three months ended December 31, 2019. The expected decrease in Net revenues is also attributable to changes made earlier in fiscal year 2019, including the exit of certain store branded business and lower pricing for certain of our cooking products to support our customers in achieving certain key retail price points.

For the three months ended December 31, 2019, we expect Net income to be in the range of $85 million to $89 million compared to $84 million for the three months ended December 31, 2018. The expected Net income for the year ended December 31, 2019 includes the benefit of favorable material prices, primarily resin and aluminum, and lower interest expense, net, following our reduction in related party borrowings during the second quarter of fiscal year 2019. These benefits are partially offset by the decline in Net revenues, for the reasons discussed above, particularly the customer inventory build in the three months ended December 31, 2018, and transaction-related costs associated with this offering and our separation from RGHL Group.

For the three months ended December 31, 2019, we expect Adjusted EBITDA to be in the range of $209 million to $219 million compared to $224 million in the three months ended December 31, 2018. This expected decline in quarterly Adjusted EBITDA is primarily due to the decline in Net revenues, for the reasons discussed above, particularly the customer inventory build in the three months ended December 31, 2018 and lower 2019 pricing, partially offset by favorable material prices, primarily resin and aluminum.

Year ended December 31, 2019 Compared with the Year Ended December 31, 2018

For the year ended December 31, 2019, we expect Net revenues to be in the range of $3,024 million to $3,040 million compared to $3,142 million in the year ended December 31, 2018. The expected decline in Net revenues was largely due to unusually high demand in the fourth quarter of 2018 as customers increased inventory levels due to uncertainty regarding availability of future transportation, lower foodservice and reroll sales, the exit of certain store branded business and lower pricing for certain of our cooking products to support our customers in achieving certain key retail price points.

For the year ended December 31, 2019, we expect Net income to be in the range of $220 million to $224 million compared to $176 million for the year ended December 31, 2018. This expected increase in Net income reflects the combination of favorable material prices, primarily resin and aluminum, and a lower interest expense, net, following our reduction in related party borrowings during the second quarter of fiscal year 2019. The benefit from these items was partially offset by the combination of higher manufacturing costs, the impact of lower foodservice and reroll sales and lower pricing, as discussed above in Net Revenues, and transaction-related costs associated with this offering and our separation from RGHL Group.

For the year ended December 31, 2019, we expect Adjusted EBITDA to be in the range of $650 million to $660 million compared to $647 million for the year ended December 31, 2018. This expected full year increase in Adjusted EBITDA, was driven by favorable material prices, primarily resin and aluminum, partially offset by higher manufacturing costs and the impact of unusually high demand in fourth quarter 2018 as customers increased inventory levels, lower foodservice and reroll sales and lower pricing, as discussed above in Net Revenues.

Reconciliation of Net Income to Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure. See “—Summary Historical and Unaudited Pro Forma Combined Financial Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations — How We Assess the Performance of Our Business” for a discussion on how we define Adjusted EBITDA and why believe this measure is important. The following table presents a reconciliation of net income, the most directly comparable GAAP financial measure, to Adjusted EBITDA for each of the periods indicated:

(in millions)	For the three months ended December 31, 2019 Low (estimated)	2019 High (estimated)	2018 (actual)	For the year ended December 31, 2019 Low (estimated)	2019 High (estimated)	2018 (actual)
Net income—GAAP	**$ 85**	**$ 89**	**$ 84**	**$ 220**	**$ 224**	**$ 176**
Income tax expense (benefit)(a)	33	35	33	77	79	57
Interest expense, net	35	37	68	209	211	280
Depreciation and amortization	27	29	21	90	92	87
Factoring discount(b)	10	10	8	25	25	22
Allocated related party management fee(c)	3	3	4	10	10	10
Transaction-related costs(d)	18	19	—	30	31	—
Unrealized (gains) losses on derivatives(e)	—	—	6	(9)	(9)	14
Business rationalization costs(f)	(1)	(1)	—	—	—	4
Defined benefit plan settlement loss	—	—	—	—	—	—
Other(g)	(1)	(2)	—	(2)	(3)	(3)
Adjusted EBITDA (non-GAAP)	**$ 209**	**$ 219**	**$ 224**	**$ 650**	**$ 660**	**$ 647**

(a) This preliminary estimated range reflects our provisionally determined amounts for the computation of income tax expense. The finalization of our computation of income tax expense requires a detailed evaluation of all income statement and balance sheet information, the finalization of return to provision adjustments and the finalization of our analysis of regulatory updates. These processes are not complete. The preliminary estimated income tax expense range also considers several factors outlined in “Risks Factors—Risks Related to our Business—Tax legislation initiatives or challenges to our tax positions could adversely affect our operations and financial condition.” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies—Income Taxes.”

(b) Reflects the loss on sale that we incur when we sell our U.S. trade receivables through RGHL Group’s securitization facility. In conjunction with this offering, we will cease to participate in this facility.

(c) Reflects our allocation, from RGHL Group, of a management fee that is charged by Rank to RGHL Group. We will not be required to pay any portion of this management fee after the closing of this offering.

(d) Reflects costs during the three months and the fiscal year ended December 31, 2019 related to the IPO process that cannot be offset against the expected future IPO proceeds, as well as costs related to our preparations to operate as a stand-alone public company.

(e) Reflects the mark-to-market movements in our commodity derivatives.

(f) Reflects primarily employee termination costs, net of adjustments, associated with rationalizing our operations in Canada.

(g) Includes the amortization of actuarial gains related to our postretirement benefit plan.

Summary Risk Factors

Investing in our stock involves risks. These risks include, among others, those related to:

- changes in consumer preferences, lifestyle and environmental concerns;
- relationships with our major customers, consolidation of our customer bases and loss of a significant customer;
- competition and pricing pressures;
- loss of any of our key manufacturing facilities;
- our suppliers of raw materials and any interruption in our supply of raw materials;

- costs of raw materials, energy and freight, including the impact of tariffs, trade sanctions and similar matters affecting our importation of certain raw materials;
- our ability to develop and maintain brands that are critical to our success;
- economic downturns in our target markets; and
- difficulty meeting our sales growth objectives and innovation goals.

Before you invest in our stock, you should carefully consider all the information in this prospectus, including matters set forth under the heading "Risk Factors" beginning on page 21.

Our Corporate Information

Reynolds Consumer Products Inc. ("RCPI") was incorporated in the state of Delaware under the name RenPac Holdings Inc. on September 29, 2011. On June 26, 2019, RenPac Holdings Inc. changed its name to Reynolds Consumer Products Inc.

Our principal executive offices are located at 1900 W. Field Court Lake Forest, Illinois, 60045 and our telephone number is (800) 879-5067. Our website is www.reynoldsconsumerproducts.com. Our website and the information contained therein or connected thereto are not incorporated into this prospectus or the registration statement of which it forms a part.

PFL, a company incorporated pursuant to the laws of New Zealand, will be our only stockholder immediately prior to the closing of this offering. PFL is a wholly-owned subsidiary of Packaging Holdings Limited ("PHL"), a company incorporated pursuant to the laws of New Zealand and wholly-owned by Mr. Graeme Hart. PFL is also the sole shareholder of Reynolds Group Holdings Limited ("RGHL" and together with its subsidiaries, "RGHL Group"). Rank Group Limited ("Rank"), a company incorporated pursuant to the laws of New Zealand, is Mr. Graeme Hart's principal operating entity. For more information on our relationship with PFL, RGHL Group, Rank and Mr. Graeme Hart, see "Certain Relationships and Related Party Transactions" and "Principal Stockholders."

Upon closing of this offering, PFL will own, and control the voting power of, approximately 77% of our outstanding shares of common stock (or approximately 74% if the underwriters' option to purchase additional shares of common stock is exercised in full). Upon closing of this offering, we will be a "controlled company" as defined under the corporate governance rules of Nasdaq. As a result, PFL will be able to exercise control over all matters requiring approval by our stockholders, including the election of our directors and approval of significant corporate transactions. PFL's controlling interest may discourage or prevent a change in control of our company that other holders of our common stock may favor. See "Risk Factors—Risks Relating to Our Relationship with RGHL Group, PFL and Rank—We will be a "controlled company" within the meaning of the rules of Nasdaq and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to stockholders of companies that are subject to such requirements."

Prior to the closing of this offering, we will consummate the following transactions:

- the legal entity reorganization of our companies so that they are all under a single parent entity, RCPI;
- the execution of a transition services agreement with Reynolds Group Holdings Inc. ("RGHI") ("RGHI TSA"), whereby RGHL Group will continue to provide certain administrative services to us, and we will provide certain services to RGHL Group, in each case for up to 24 months, which is described in greater detail in "Certain Relationships and Related Party Transactions;"

- the execution of plant and asset transfer agreements (and related support agreements), manufacturing and supply agreements and certain other agreements to be entered into with RGHL Group that document and/or amend ongoing commercial arrangements that we have with RGHL Group, all of which are described in greater detail in "Certain Relationships and Related Party Transactions;"
- the execution of a transition services agreement with Rank ("Rank TSA") whereby, upon our request, Rank will provide certain administrative services to us for up to 24 months, which is described in greater detail in "Certain Relationships and Related Party Transactions;"
- the reallocation to an entity within RGHL Group of our portion of outstanding borrowings under RGHL Group's credit agreement ("RGHL Group Credit Agreement") and our subsequent legal release from the RGHL Group Credit Agreement and the legal release from the guarantees of all the senior notes issued by entities of RGHL Group;
- the repurchase, for cash, of the U.S. trade receivables that we previously sold through RGHL Group's securitization facility that are outstanding as of the time of the repurchase of such trade receivables;
- the reclassification of RGHL Group's historical net investment in us to additional paid-in capital and the establishment of share capital consisting of shares of common stock;
- the consummation of a stock split pursuant to which each share of our outstanding common stock will be reclassified into 155,455 shares of common stock ("Stock Split");
- entering into our new external debt facilities ("New Credit Facilities"), which will consist of a $2,475 million senior secured term loan facility ("New Term Loan Facility") and a $250 million senior secured revolving credit facility ("New Revolving Facility"), each of which is described in greater detail in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Sources of Liquidity." We intend to use the net proceeds of the New Term Loan Facility to settle certain related party borrowings, including amounts arising as part of the Corporate Reorganization (as defined below) prior to this offering. The New Revolving Facility is expected to be undrawn upon the closing of this offering;
- the incurrence of debt in an amount equal to the net proceeds from this offering under a one-day settlement facility ("IPO Settlement Facility"). The IPO Settlement Facility, which is described in greater detail in "Use of Proceeds," will be funded on the date of, and immediately prior to the closing of, this offering and will be repaid and terminated with the net proceeds from this offering;
- the repayment of certain related party borrowings owing to RGHL Group and the capitalization, as additional paid-in capital without the issuance of any additional shares, of the remaining balance of the related party borrowings owing to RGHL Group; and
- the reorganization of our equity holdings such that RGHL Group will transfer its interests in us to PFL and, as such, PFL's ownership of our common stock will be held outside the group of entities that will represent RGHL Group after this offering.

We refer to the foregoing transactions we will consummate prior to the closing of this offering collectively as the "Corporate Reorganization."

THE OFFERING

This summary highlights information presented in greater detail elsewhere in this prospectus. This summary is not complete and does not contain all the information you should consider before investing in our common stock. You should carefully read this entire prospectus before investing in our common stock including the "Risk Factors" section and our combined financial statements and notes thereto.

Common stock offered	47,170,000 shares
Common stock to be outstanding after this offering	202,625,000 shares
Option to purchase additional shares of common stock	7,075,500 shares
Use of proceeds	We estimate that the net proceeds to us from this offering will be approximately $1,190 million, or approximately $1,369 million if the underwriters exercise their option to purchase additional shares of common stock in full, assuming an initial public offering price of $26.50 per share (the midpoint of the range set forth on the cover page of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses. Each $1 increase (decrease) in the public offering price per share would increase (decrease) our net proceeds, after deducting estimated underwriting discounts and commissions, by $45 million (assuming no exercise of the underwriters' option to purchase additional shares of common stock). We intend to use the net proceeds from this offering to repay amounts owed under the IPO Settlement Facility incurred as part of the Corporate Reorganization. See "Use of Proceeds."
Conflicts of Interest	An affiliate of Goldman Sachs & Co. LLC, which is an underwriter in this offering, is the lender under the IPO Settlement Facility. The net proceeds from this offering will be used to repay the IPO Settlement Facility. Because of the manner in which the proceeds will be used, this offering will be conducted in accordance with Financial Industry Regulatory Authority, Inc., or FINRA, Rule 5121. This rule requires, among other things, that a qualified independent underwriter has participated in the preparation of, and has exercised the usual standards of ''due diligence'' with respect to, this prospectus and the registration statement of which this prospectus forms a part. Credit Suisse Securities (USA) LLC has agreed to act as qualified independent underwriter for the offering and to undertake the legal responsibilities and liabilities of an underwriter under the Securities Act, specifically including those inherent in Section 11 of the Securities Act. We will agree to indemnify Credit Suisse Securities (USA) LLC against liabilities incurred in connection with acting as qualified independent underwriter, including liabilities under the Securities Act. Moreover, Goldman Sachs & Co. LLC is not permitted to sell common stock in this offering to an account over which it exercises discretionary authority without the prior specific

	written approval of the account holder. See "Underwriting (Conflicts of Interest)."
Concentration of ownership	Upon closing of this offering, PFL will own a majority of the voting power of our common stock. We currently intend to avail ourselves of the "controlled company" exemption under the corporate governance rules of Nasdaq.
Dividend policy	Following closing of this offering and subject to legally available funds, we intend to pay quarterly cash dividends on our common stock. For fiscal year 2020, we expect to pay a quarterly cash dividend of $0.223 per share. However, we expect the initial dividend for the quarter ending on March 31, 2020 to be a prorated cash dividend for the period beginning on the first day of trading of our common stock on Nasdaq and ending on the last day of that period. We expect this initial dividend to be approximately $0.15 per share. This initial dividend is expected to paid in mid-April 2020. Thereafter, the quarterly dividend will be paid subsequent to the close of each fiscal quarter. The declaration, amount and payment of any dividends will be at the sole discretion of our board of directors and subject to certain considerations. See "Dividend Policy."
Listing	We intend to apply to list our common stock on Nasdaq under the trading symbol "REYN."

The number of shares of our common stock to be outstanding after this offering:

- is based on 155,455,000 shares of common stock outstanding prior to this offering (after giving effect to the Corporate Reorganization);
- excludes 162,861 shares of common stock (based on the midpoint of the price range set forth on the cover of this prospectus) underlying the grants to be issued upon the closing of this offering to persons, including our senior management, pursuant to retention agreements entered into with such persons ("IPO Grants"). These IPO Grants will be issued as restricted stock units, vesting ratably on an annual basis over a three-year period, commencing on the first anniversary of the closing date of this offering;
- excludes 10,485,025 shares of common stock reserved for future issuance under the Reynolds Consumer Products Inc. Equity Incentive Plan (the "Incentive Plan") (which includes the 162,861 shares of common stock underlying the IPO Grants); and
- excludes the issuance of up to 7,075,500 shares of common stock which the underwriters have the option to purchase from us solely to cover over-allotments. If the underwriters exercise their option to purchase additional shares in full, 209,700,500 shares of common stock will be outstanding after this offering.

Unless we specifically state otherwise, all information in this prospectus, (1) except for our historical combined financial statements included elsewhere in this prospectus, assumes the consummation of the Corporate Reorganization immediately prior to the closing of this offering and (2) assumes no exercise of the underwriters' option to purchase additional shares of common stock solely to cover overallotments.

SUMMARY HISTORICAL AND UNAUDITED PRO FORMA COMBINED FINANCIAL DATA

Set forth below are summary historical financial and other data. The combined balance sheet data as of December 31, 2018 and 2017 and the combined statements of income data and the combined statements of cash flows data for the years ended December 31, 2018, 2017 and 2016 have been derived from our annual combined financial statements included elsewhere in this prospectus. The combined balance sheet data as of December 31, 2016 has been derived from our financial records, which were derived from the financial records of RGHL Group and are not included in this prospectus. The combined balance sheet data as of September 30, 2019 and the combined statements of income data and the combined statements of cash flows data for the nine months ended September 30, 2019 and 2018 have been derived from our interim condensed combined financial statements included elsewhere in this prospectus. The interim condensed combined financial statements were prepared on a basis consistent with that used in preparing our annual combined financial statements and include all normal and recurring adjustments considered necessary for a fair statement of our financial position and results of operations for the interim periods. The historical financial data includes costs of our business, which include the allocation of certain expenses from RGHL Group. We believe these allocations were made on a reasonable basis. The summary financial data may not be indicative of our future performance as a stand-alone public company. It should be read in conjunction with the discussion in "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Combined Financial Data" and the annual combined financial statements and corresponding notes and the interim condensed combined financial statements and corresponding notes included elsewhere in this prospectus.

Also set forth below are summary unaudited pro forma combined statements of income data for the nine months ended September 30, 2019 and the year ended December 31, 2018, which assume that the Corporate Reorganization and this offering had occurred as of January 1, 2018. The summary unaudited pro forma combined balance sheet data as of September 30, 2019 assumes that the Corporate Reorganization and this offering occurred as of September 30, 2019. The pro forma adjustments are based upon available information and assumptions that we believe are reasonable. The summary unaudited pro forma combined financial data does not purport to represent what the financial position or results of operations of RCP would have been if we had operated as a stand-alone public company during the periods presented or if the transactions described therein had actually occurred as of the dates indicated, nor does it project the financial position at any future date or the results of operations for any future period. Please see the notes to the "Unaudited Pro Forma Combined Financial Data" included elsewhere in this prospectus for a complete description of the adjustments reflected in the unaudited pro forma combined financial data.

	Pro Forma		Historical				
	Nine months ended September 30,	Year ended December 31,	Nine months ended September 30,		Year ended December 31,		
	2019	2018	2019	2018	2018	2017	2016
	(In millions, except share and per share data)						
Statements of Income Data:							
Net revenues(1)	$ 2,083	$ 2,981	$ 2,083	$ 2,113	$ 2,981	$ 2,809	$ 2,792
Related party net revenues(1)	114	161	114	122	161	148	143
Total net revenues	2,197	3,142	2,197	2,235	3,142	2,957	2,935
Cost of sales	(1,580)	(2,310)	(1,580)	(1,669)	(2,310)	(2,095)	(2,048)
Gross profit	617	832	617	566	832	862	887
Selling, general and administrative expenses	(232)	(291)	(231)	(218)	(288)	(294)	(325)
Other expense, net(2)	(12)	1	(34)	(20)	(31)	(28)	(28)
Income from operations	373	542	352	328	513	540	534
Non-operating income (expense), net	1	—	1	—	—	—	(10)
Interest expense, net	(75)	(101)	(174)	(212)	(280)	(322)	(391)
Income before income taxes	299	441	179	116	233	218	133
Income tax (expense) benefit	(72)	(104)	(44)	(24)	(57)	84	(54)
Net income	$ 227	$ 337	$ 135	$ 92	$ 176	$ 302	$ 79

	Pro Forma		Historical				
	Nine months ended September 30,	Year ended December 31,	Nine months ended September 30,		Year ended December 31,		
	2019	2018	2019	2018	2018	2017	2016
	(In millions, except share and per share data)						
Per share:							
Earnings per share:							
Basic	$ 1.12	$ 1.66					
Diluted	$ 1.12	$ 1.66					
Weighted average number of shares used in calculating earnings per share:							
Basic	202,679,287	202,625,000					
Diluted	202,749,084	202,680,062					
Balance Sheet Data (as of end of period):							
Accounts receivable, net	$ 286		$ 15		$ 16	$ 9	$ 52
Inventories	478		478		429	371	298
Related party receivables—non-current	—		—		2,401	1,929	1,784
Total assets(3)	4,354		4,130		6,421	5,911	5,738
Accounts payable	119		119		136	121	124
Long-term debt, including current portion	2,438		2,016		2,030	2,049	2,067
Related party borrowings, including current portion	—		2,148		3,950	3,927	3,957
Total equity (deficit)	1,240		(798)		(1,027)	(1,298)	(1,517)
Cash Flow Data:(4)							
Net cash provided by (used in):							
Operating activities			$ 158	$ 347	$ 530	$ 395	$ 393
Investing activities			(93)	(235)	(554)	(364)	(584)
Financing activities			(73)	(129)	24	(40)	180
Other Financial Data:(5)							
Adjusted EBITDA (non-GAAP)	$ 441	$ 647	$ 441	$ 423	$ 647	$ 656	$ 647

(1) On January 1, 2018, we adopted Accounting Standards Update 2014-09, *Revenue from Contracts with Customers* and other related Accounting Standards Updates regarding Accounting Standards Codification Topic 606 ("ASC 606"), using the modified retrospective method. Results as of and for the year ended December 31, 2018 and periods thereafter are presented under ASC 606, while prior period amounts are not adjusted and continue to be reported under ASC 605, Revenue Recognition, the accounting standard in effect for those periods presented. Our adoption of ASC 606 resulted in a $5 million adjustment to Net Parent deficit. There was no other material financial statement impact from adopting the new revenue recognition accounting standard. For further details regarding the impact of the adoption of ASC 606, refer to Note 2—Summary of Significant Accounting Policies of our annual combined financial statements included elsewhere in this prospectus.

(2) For the historical periods, Other expense, net, is primarily comprised of an allocated related party management fee and the loss on sale that we incur when we sell our trade receivables through the RGHL Group securitization facility. For further information, refer to Note 9—Other Expense, Net in our annual combined financial statements and Note 11—Other Expense, Net in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus. We will not be required to pay any portion of this management fee after closing of this offering, and in conjunction with this offering, we will cease to participate in such securitization facility.

(3) On January 1, 2019, we adopted Accounting Standards Update 2016-02, *Leases*, and other related Accounting Standard Updates regarding Accounting Standards Codification Topic 842 ("ASC 842"), using the modified retrospective method without the recasting of comparative periods' financial information, as permitted by the transition guidance. Results as of and for the nine months ended September 30, 2019 are presented under ASC 842, while prior period amounts are not adjusted and continue to be reported under ASC 840, *Leases*, the accounting standard in effect for those periods presented. For further details regarding the impact of the adoption of ASC 842, refer to Note 2—Summary of Significant Accounting Policies of our interim condensed combined financial statements included elsewhere in this prospectus.

(4) We have historically operated as part of RGHL Group and not as a stand-alone public company. RGHL Group centrally managed substantially all of our financial resources for all of the periods presented. Accordingly, our historical operating, investing and financing cash flow data each includes significant related party transactions which may not have arisen had we been a stand-alone public company.

Our net cash provided by operating activities includes the impact of changes in related party receivables and payables that are not representative of the timing of settlement of trade balances on terms consistent with third party arrangements entered into in the normal course of business. Our net cash provided by operating activities also includes historical related party interest paid, net, related to arrangements with RGHL Group that will cease on or prior to the closing of this offering. Furthermore, as detailed in Note 2—Summary of Significant Accounting Policies of our annual combined financial statements included elsewhere in this prospectus, our U.S. operations were included in a consolidated U.S. federal tax return and the settlement of our U.S. federal current tax is recognized directly as a movement in Net Parent deficit. As a result, our net cash provided by operating activities does not include any cash outflow associated with the payment of U.S. federal tax.

The following table illustrates the impact of the timing of settlement of related party receivables and payables, as well as the settlement of our U.S. federal current tax directly through Net Parent deficit, on our net cash provided by operating activities.

	Nine months ended September 30,		Year ended December 31,		
	2019	2018	2018	2017	2016
			(In millions)		
Change in related party accounts payable	$ (72)	$ 163	$ 22	$ (7)	$ 64
Change in related party accounts receivable (excluding related party interest receivable)	(28)	(32)	(3)	(10)	—
Change in income tax payable	50	42	71	67	54
Net (decrease) increase in net cash provided by operating activities due to the above items	$ (50)	$ 173	$ 90	$ 50	$ 118

The following table illustrates the impact of historical related party interest expense paid, net of related party interest income received on our net cash provided by operating activities.

	Nine months ended September 30,		Year ended December 31,		
	2019	2018	2018	2017	2016
			(In millions)		
Related party interest received (paid), net	$ (2)	$ 16	$ 65	$ (56)	$ (207)

For further information regarding related party transactions reported within our cash flows from investing and financing activities, refer to our combined statements of cash flows in our annual combined financial statements and interim condensed combined financial statements, each of which are included elsewhere in this prospectus.

Non-GAAP Financial Measures

(5) It is management's intent to provide non-GAAP financial measures to enhance the understanding of our GAAP financial information, and it should be considered in addition to, and not instead of, the financial statements prepared in accordance with GAAP included elsewhere in this prospectus. Our non-GAAP financial measure is presented along with the corresponding most directly comparable GAAP measure so as not to imply that more emphasis should be placed on the non-GAAP measure. The non-GAAP financial measure presented may be determined or calculated differently by other companies.

We define "Adjusted EBITDA" as our net income calculated in accordance with GAAP, plus the sum of income tax expense, net interest expense, depreciation and amortization and further adjusted to exclude unrealized gains and losses on derivatives, costs associated with rationalizing operations and administrative functions, factoring discounts, defined benefit plan settlement losses, amortization of actuarial gains, operational process engineering related consultancy costs, the allocated related party management fee and transaction-related costs.

We have included Adjusted EBITDA in this prospectus because it is a key measure used by our management team to evaluate our operating performance, generate future operating plans and make strategic decisions. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management team and board of directors.

The following table presents a reconciliation of net income, the most directly comparable GAAP financial measure, to Adjusted EBITDA for each of the periods indicated:

	Pro Forma		Historical				
	Nine months ended September 30,	Year ended December 31,	Nine months ended September 30,		Year ended December 31,		
	2019	2018	2019	2018	2018	2017	2016
	(In millions)						
Net income—GAAP	**$ 227**	**$ 337**	**$ 135**	**$ 92**	**$176**	**$302**	**$ 79**
Income tax expense (benefit)	72	104	44	24	57	(84)	54
Interest expense, net	75	101	174	212	280	322	391
Depreciation and amortization	63	87	63	66	87	90	97
Factoring discount(a)	—	—	15	14	22	19	15
Allocated related party management fee(b)	—	—	7	6	10	10	13
Transaction-related costs(c)	13	3	12	—	—	—	—
Unrealized losses (gains) on derivatives(d)	(9)	14	(9)	8	14	(4)	(8)
Business rationalization costs(e)	1	4	1	4	4	2	1
Defined benefit plan settlement loss(f)	—	—	—	—	—	—	9
Other(g)	(1)	(3)	(1)	(3)	(3)	(1)	(4)
Adjusted EBITDA (Non-GAAP)	**$ 441**	**$ 647**	**$ 441**	**$ 423**	**$647**	**$656**	**$647**

(a) Reflects the loss on sale that we incur when we sell our U.S. trade receivables through RGHL Group's securitization facility. For further information, refer to Note 9—Other Expense, Net in our annual combined financial statements and Note 11—Other Expense, Net in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus. In conjunction with this offering, we will cease to participate in this facility.

(b) Reflects our allocation, from RGHL Group, of a management fee that is charged by Rank to RGHL Group. We will not be required to pay any portion of this management fee after closing of this offering. For further information, refer to Note 9—Other Expense, Net in our annual combined financial statements and Note 11—Other Expense, Net in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus.

(c) Reflects allocated costs during the nine months ended September 30, 2019 related to the IPO process that cannot be offset against the expected future IPO proceeds, as well as costs related to our preparations to operate as a stand-alone public company. Refer to "Unaudited Pro Forma Combined Financial Data" for details of incremental pro forma transaction-related costs.

(d) Reflects the mark-to-market movements in our commodity derivatives. For further information, refer to Note 7—Financial Instruments in our annual combined financial statements and Note 8—Financial Instruments in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus.

(e) Reflects primarily employee termination costs associated with rationalizing our operations in Canada.

(f) Reflects the settlement loss recognized on merging our defined benefit plan into a plan sponsored by RGHL Group. For further information, refer to Note 8—Benefit Plans in our annual combined financial statements included elsewhere in this prospectus.

(g) Includes the amortization of actuarial gains related to our postretirement benefit plan. For further information, refer to Note 8—Benefit Plans in our annual combined financial statements and Note 9—Benefit Plans in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the following risks and all of the other information set forth in this prospectus before deciding to invest in shares of our common stock. If any of the following risks actually occurs, our business, financial condition and results of operations could be materially adversely affected. In such case, the trading price of our common stock could decline, and you may lose all or part of your investment. The risks discussed below are not the only risks we face. Additional risks or uncertainties not currently known to us, or that we currently deem immaterial, may also have a material adverse effect on our business, financial condition, prospects, results of operations or cash flows. We cannot assure you that any of the events discussed in the risk factors below will not occur.

Risks Relating to Our Business and Industry

Our success depends on our ability to anticipate and respond to changes in consumer preferences.

We are a consumer products company and believe that our success depends, in part, on our ability to leverage our existing brands and products to drive increased sales and profits. This depends on our ability to identify and offer products at attractive prices that appeal to consumer tastes and preferences, which are difficult to predict and evolve over time. Our ability to implement this strategy depends on, among other things, our ability to:

- continue to offer to our customers products that consumers want at competitive prices;
- introduce new and appealing products and innovate successfully on our existing products;
- develop and maintain consumer interest in our brands; and
- increase our brand recognition and loyalty.

We may not be able to implement this strategy successfully, which could materially and adversely affect our sales and business, financial condition and results of operations.

We are dependent on maintaining satisfactory relationships with our major customers, and significant consolidation among our customers, or the loss of a significant customer, could decrease demand for our products or reduce our profitability.

Many of our customers are large and possess significant market leverage, which results in significant downward pricing pressure, and can constrain our ability to pass through price increases. We generally sell our branded products pursuant to informal trading policies and our store brand products under one year or multi-year agreements. We do not have written agreements with many of our customers. Our contracts generally do not obligate the customer to purchase any given amount of product. If our major customers reduce purchasing volumes or stop purchasing our products for any reason, our business and results of operations would likely be materially and adversely affected. It is possible that we will lose customers, which may materially and adversely affect our business, financial condition and results of operations.

We rely on a relatively small number of customers for a significant portion of our revenue. Sales to our top ten customers accounted for 69% of our total revenue in fiscal year 2018. Our two largest customers, Walmart and Sam’s Club, individually accounted for 28% and 12%, respectively, of our total revenue in fiscal year 2018. Sales to Walmart are concentrated more heavily in our Hefty Waste & Storage segment, and sales to Sam’s Club are concentrated more heavily in our Hefty Tableware segment. The loss of any of our significant customers would have a material adverse effect on our business, financial condition and results of operations.

In addition, over the last several years, there has been a trend toward consolidation among our customers in the retail industry, and we expect that this trend will continue. Consolidation among our customers could increase

their ability to apply pricing pressure, and thereby force us to reduce our selling prices or lose sales. In addition, following a consolidation, our customers may close stores, reduce inventory or switch suppliers of consumer products. Any of these factors could negatively impact our business, financial condition and results of operations.

We operate in competitive markets.

We operate in competitive markets, and our main competitors include The Clorox Company, S.C. Johnson & Sons, Inc., Poly-America, Handi-Foil Corporation, Republic Plastics, Ltd., Trinidad Benham Corporation, Inteplast Group, Ltd. and Dart Container Corporation. Although capital costs and intellectual property and technology may create barriers to entry, we face the threat of competition from new entrants to our markets as well as from existing competitors, including overseas competitors who may have lower production costs. Our customers continuously evaluate their suppliers, often resulting in downward pricing pressure and increased pressure to continuously introduce and commercialize innovative new products, improve customer service, maintain strong relationships with our customers and, where applicable, develop and maintain brands that are meaningful to consumers. If our products fail to compete successfully with other branded or private label offerings, demand for our products and our sales and profitability could be negatively impacted.

Loss of any of our key manufacturing facilities or of those of our key suppliers could have an adverse effect on our business.

Some of our products are manufactured at a single location. For example, our Malvern, Arkansas plant is our sole producer of foil reroll for our Louisville, Kentucky plant, which in turn is our sole producer of household foil. The loss of the use of all or a portion of any of our key manufacturing facilities, especially one that is a sole producer, or the loss of the use of key suppliers, due to an accident, labor issues, weather conditions, natural disaster or otherwise could have a material adverse effect on our business, financial condition and results of operations.

Any interruption in our supply of raw materials could harm our business, financial condition and results of operations.

We are dependent on our suppliers for an uninterrupted supply of key raw materials in a timely manner. The supply of these materials could be disrupted for a wide variety of reasons, including political and economic instability, the financial stability of our suppliers, their ability to meet our standards, labor problems, the availability and prices of raw materials, currency exchange rates, transport availability and cost, transport security and inflation, and other factors beyond our control. We have written contracts with some but not all of our key suppliers, and where we have written contracts, they generally include force majeure clauses that excuse the supplier’s failure to supply in certain circumstances. Any interruption in the supply of raw materials for an extended period of time could have a material adverse effect on our business, financial condition and results of operations.

Our business is impacted by fluctuations in raw material, energy and freight costs, including the impact of tariffs and similar matters.

Fluctuations in raw material and energy costs could adversely affect our business, financial condition and results of operations. Raw material costs represent a significant portion of our cost of sales. The primary raw materials we use are plastic resins, particularly polyethylene and polystyrene, and aluminum. The prices of our raw materials have fluctuated significantly in recent years. Aluminum prices have been historically volatile as aluminum is a cyclical commodity with prices subject to global market factors. Resin prices have also historically fluctuated with changes in crude oil and natural gas prices as well as changes in refining capacity and the demand for other petroleum-based products. Raw material costs are also impacted by governmental actions, such as tariffs and trade sanctions. For example, the recent imposition by the U.S. government of tariffs on products imported from certain countries and trade sanctions against certain countries have introduced greater

uncertainty with respect to policies affecting trade between the United States and other countries and have impacted the cost of certain raw materials, including aluminum and resin. Major developments in trade relations, including the imposition of new or increased tariffs by the United States and/or other countries, could have a material adverse effect on our business, financial condition and results of operations.

We typically do not enter into long-term fixed price purchase contracts for our principal raw materials. Sales contracts for our products generally do not contain cost pass-through mechanisms for raw material costs. Where our contracts use such pass-through mechanisms, differences in timing between purchases of raw materials and sales to customers can create a "lead lag" effect during which margins are negatively impacted when raw material costs rise and positively impacted when raw material costs fall. We adjust prices, where possible, to mitigate the effect of production cost increases, including raw materials, but these increases are not always possible or may not cover the increased raw material costs.

In addition, we distribute our products and receive raw materials primarily by rail and truck. Reduced availability of rail or trucking capacity has caused us, and may continue to cause us, to incur unanticipated expenses and impair our ability to distribute our products or receive our raw materials in a timely manner, which could disrupt our operations, strain our customer relations and adversely affect our operating profits. In particular, the recent reduced trucking capacity, due to a shortage of drivers, the recent enforcement deadline for a federal regulation requiring drivers to electronically log their driving hours and adverse weather conditions, among other reasons, has caused an increase in the cost of transportation for us and many other companies.

Our brands are critical to our success.

Our ability to compete successfully depends on our ability to develop and maintain brands that are meaningful to consumers. The development and maintenance of such brands requires significant investment in product innovation, brand-building, advertising and marketing. We focus on developing innovative products to address consumers' unmet needs and introducing store brand products that emulate other popular branded consumer products, and, as a result, may increase our expenditures for advertising and other brand-building or marketing initiatives. However, these initiatives may not deliver the desired results, which could adversely affect our business and the recoverability of the trade names recorded in our balance sheet, which could materially and adversely affect our business, financial condition and results of operations.

Our business could be impacted by changes in consumer lifestyle and environmental concerns.

We are a consumer products company and any reduction in consumer demand for the types of products we offer as a result of changes in consumer lifestyle, environmental concerns or other considerations could have a significant impact on our business, financial condition and results of operations. For example, there have been recent concerns about the environmental impact of single-use disposable products and products made from plastic, particularly polystyrene foam. These concerns, and the actions taken in response (including regulations banning the sale of polystyrene foam in certain jurisdictions), impact several of our products, especially our Hefty Tableware segment. Sustainability concerns, including the recycling of products, have received increased focus in recent years and may play an increasing role in brand management and consumer purchasing decisions. In addition, changes in consumer lifestyle may decrease the demand for certain of our products, which in turn could materially and adversely affect our business, financial condition and results of operations.

Our business may be affected by economic downturns in the markets that we serve and in the regions that supply our raw materials.

Our business is impacted by market conditions in the retail industry and consumer demand for our products, which in turn are affected by general economic conditions. Downturns or periods of economic weakness or increased prices in these consumer markets have resulted in the past, and could result in the future, in decreased demand for our products. For example, uncertainty about future economic conditions globally, and in the United

States in particular, could lead to declines in consumer spending and consumption and cause our customers to purchase less of our products.

Our profitability and cash flows could suffer if we are unable to continue to generate cost savings in our manufacturing and distribution processes.

We anticipate that cost savings will result from reducing material costs and manufacturing inefficiencies and from realizing productivity gains, distribution efficiencies and overhead reductions. However, if we cannot successfully develop and implement cost savings plans, or if the cost of making these changes increases, we will not realize all anticipated benefits, which could materially and adversely affect our business, financial condition and results of operations.

Our hedging activities may result in significant losses and period-to-period earnings volatility.

We may enter into hedging transactions to limit our exposure to raw material price risks. Historically, our commodity hedges are primarily related to diesel, resin and aluminum. If we fail to effectively monitor and manage our hedging activities or if we execute a position and raw material prices subsequently decline, we could incur significant losses, which could in turn materially and adversely affect our business, financial condition and results of operations, and we could experience significant fluctuations in our earnings from period to period. Factors that could affect the impact and effectiveness of our hedging activities include the accuracy of our operational forecasts of raw material needs and volatility of the commodities and raw materials pricing markets.

Sales growth objectives may be difficult to achieve, and we may not be able to achieve our innovation goals, develop and introduce new products and line extensions or expand into adjacent categories and countries.

We operate in mature markets that are subject to high levels of competition. Our future performance and growth, including our ability to meet our internal objectives of generating 20% of our revenue each year from products that are less than three years old, depends on innovation and our ability to successfully develop or license capabilities to introduce new products, brands, line extensions and product innovations or enter into or expand into adjacent product categories, sales channels or countries. Our ability to quickly innovate in order to adapt our products to meet changing consumer demands is essential, especially in light of eCommerce and direct-to-consumer channels significantly reducing the barriers for even small competitors to quickly introduce new brands and products directly to consumers. The development and introduction of new products require substantial and effective research and development and demand creation expenditures, which we may be unable to recoup if the new products do not gain widespread market acceptance.

In addition, effective and integrated systems are required for us to gather and use consumer data and information to successfully market our products. New product development and marketing efforts, including efforts to enter markets or product categories in which we have limited or no prior experience, have inherent risks, including product development or launch delays. These could result in us not being the first to market and the failure of new products, brands or line extensions to achieve anticipated levels of market acceptance. If product introductions or new or expanded adjacencies are not successful, costs associated with these efforts may not be fully recouped and our results of operations could be adversely affected. In addition, if sales generated by new products cause a decline in sales of our existing products, our financial condition and results of operations could be materially adversely affected. Even if we are successful in increasing market share within particular product categories, a decline in the markets for such product categories could have a negative impact on our financial results. In addition, in the future, our growth strategy may include expanding our international operations, which could be subject to foreign market risks, including, among others, foreign currency fluctuations, economic or political instability and the imposition of tariffs and trade restrictions, which could adversely affect our financial results.

We are subject to governmental regulation and we may incur material liabilities under, or costs in order to comply with, existing or future laws and regulations.

Many of our products come into contact with food when used, and the manufacture, packaging, labeling, storage, distribution, advertising and sale of such products are subject to various laws designed to protect human health and the environment. For example, in the United States, many of our products are regulated by the Food and Drug Administration (including applicable current good manufacturing practice regulations) and/or the Consumer Product Safety Commission, and our product claims and advertising are regulated by the Federal Trade Commission. Most states have agencies that regulate in parallel to these federal agencies. Liabilities under, and/or costs of compliance, and the impact on us of any non-compliance with any such laws and regulations could materially and adversely affect our business, financial condition and results of operations. In addition, changes in the laws and regulations which we are subject to could impose significant limitations and require changes to our business, which in turn may increase our compliance expenses, make our business more costly and less efficient to conduct, and compromise our growth strategy.

We could incur significant liabilities related to, and significant costs in complying with, environmental, health and safety laws, regulations and permits.

Our operations are subject to various national, state, local, foreign and international environmental, health and safety laws, regulations and permits that govern, among other things, the emission or discharge of materials into the environment; the use, storage, treatment, disposal, management and release of hazardous substances and wastes; the health and safety of our employees and the end-users of our products; and the materials used in, and the recycling of, our products. These laws and regulations impose liability, which can be strict, joint and several, for the costs of investigating and remediating, and damages resulting from, present and past releases of hazardous substances related to our current and former sites, as well as at third party sites where we or our predecessors have sent waste for disposal. Non-compliance with, or liability related to, these laws, regulations and permits, which tend to become more stringent over time, could result in substantial fines or penalties, injunctive relief, requirements to install pollution control devices or other controls or equipment, civil or criminal sanctions, permit revocations or modifications and/or facility shutdowns, and could expose us to costs of investigation or remediation, as well as tort claims for property damage or personal injury.

In addition, a number of governmental authorities, both in the United States and abroad, have considered, and are expected to consider, legislation aimed at reducing the amount of plastic waste. Programs have included banning certain types of products, mandating certain rates of recycling and/or the use of recycled materials, imposing deposits or taxes on plastic bags and packaging material, and requiring retailers or manufacturers to take back packaging used for their products. Such legislation, as well as voluntary initiatives, aimed at reducing the level of plastic wastes, could reduce the demand for certain plastic products, result in greater costs for manufacturers of plastic products or otherwise impact our business, financial condition and results of operations. Additional regulatory efforts addressing other environmental or safety concerns in the future could similarly impact our operations and results.

We may incur liabilities, experience harm to our reputation and brands, or be forced to recall products as a result of real or perceived product quality or other product-related issues.

Although we have control measures and systems in place to ensure the safety and quality of our products are maintained, the consequences of not being able to do so could be severe, including adverse effects on consumer health, our reputation, the loss of customers and market share, financial costs and loss of revenue. If any of our products are found to be defective, we could be required to or may voluntarily recall such products, which could result in adverse publicity, significant expenses and a disruption in sales and could affect our reputation and that of our products. For instance, in 2015, we voluntarily withdrew certain of our Hefty disposable cups when we identified that an incorrect grade of colorant was used on some of our disposable cups, causing small amounts of ink to transfer from the cup to other surfaces. The colorant presented no health or safety risks to consumers

which was determined through both internal assessment and an external toxicology audit and we effectively remediated this situation. However, if a similar event occurs in the future, it could cause long-term damage to our brands. In addition, if any of our competitors or customers supply faulty or contaminated products to the market, our industry could be negatively impacted, which in turn could have adverse effects on our business.

The widespread use of social media and networking sites by consumers has greatly increased the speed and accessibility of information dissemination. Negative publicity, posts or comments on social media or networking sites about us or our brands, whether accurate or inaccurate, or disclosure of non-public sensitive information about us, could be widely disseminated through the use of social media. Such events, if they were to occur, could harm our image and adversely affect our business, as well as require resources to rebuild our reputation.

We are affected by seasonality.

Portions of our business are moderately seasonal. Overall, our strongest sales are in our fourth quarter and our weakest sales are in our first quarter. This is driven by higher levels of sales of cooking products around major U.S. holidays in our fourth quarter, primarily due to the holiday use of Reynolds Wrap, Reynolds Oven Bags and Reynolds Parchment Paper. Our tableware products generally have higher sales in the second quarter of the year, primarily due to outdoor summertime use of disposable plates, cups and bowls. As a result of this seasonality, any factors negatively affecting us during these periods of any year, including unfavorable economic conditions, could have a material adverse effect on our financial condition and results of operations for the entire year. Because of quarterly fluctuations caused by these and other factors, comparisons of our operating results across different fiscal quarters may not be accurate indicators of our future performance.

Loss of our key management and other personnel, or an inability to attract new management and other personnel, could negatively impact our business, financial condition and results of operations.

We depend on our senior executive officers and other key personnel to operate our businesses, develop new products and technologies and service our customers. The loss of any of these key personnel could adversely affect our operations. Competition is intense for qualified personnel and the loss of them or an inability to attract, retain and motivate additional highly skilled personnel required for the operation and expansion of our business could hinder our ability to successfully conduct research and development activities or develop and support marketable products. Additionally, the high U.S. employment levels in recent years have increased turnover as compared to prior periods at some of our facilities and made hiring and retaining hourly employees more difficult. Any of these factors could have a material adverse effect on our business, financial condition and results of operations.

We may have difficulty acquiring product lines or businesses, which could impact our business, financial condition and results of operations.

We may pursue acquisitions of product lines or businesses from third parties. Acquisitions involve numerous risks, including difficulties in the assimilation of the operations, technologies, services and products of the acquired product lines or businesses, estimation and assumption of liabilities and contingencies, personnel turnover and the diversion of management’s attention from other business operations. We may be unable to successfully integrate and manage certain product lines or businesses that we may acquire in the future, or be unable to achieve anticipated benefits or cost savings from acquisitions in the time frame we anticipate, or at all.

We may not be successful in obtaining, maintaining and enforcing sufficient intellectual property rights to protect our business, or in avoiding claims that we infringe on the intellectual property rights of others.

We rely on intellectual property rights such as patents, trademarks and copyrights, as well as unpatented proprietary knowledge and trade secrets, to protect our business. However, these rights do not afford complete protection against third parties. For example, patents, trademarks and copyrights are territorial; thus, our business

will only be protected by these rights in those jurisdictions in which we have been issued patents or have trademarks or copyrights, or have obtained licenses to use such patents, trademarks or copyrights. Even so, the laws of certain countries may not protect our intellectual property rights to the same extent as do the laws of the United States. Additionally, there can be no assurance that others will not independently develop knowledge and trade secrets that are similar to ours, or develop products or brands that compete effectively with our products and brands without infringing, misusing or otherwise violating any of our intellectual property rights.

We cannot be certain that any of our current or pending patents, trademarks and copyrights will provide us with sufficient protection from competitors, or that any intellectual property rights we do hold will not be invalidated, circumvented or challenged in the future. In the event of such a challenge, we could incur significant costs to defend our intellectual property rights, even if we are ultimately successful. Additionally, there is a risk that we will not be able to obtain and perfect or, where appropriate, license, the intellectual property rights necessary to support new product introductions and product innovations. Additionally, we have licensed, and may license in the future, patents, trademarks, trade secrets and other intellectual property rights to third parties. While we attempt to ensure that our intellectual property rights are protected when entering into business relationships, third parties may take actions that could materially and adversely affect our rights or the value of our intellectual property rights.

Third parties may copy or otherwise obtain and use our proprietary knowledge or trade secrets without authorization or infringe, misuse or otherwise violate our other intellectual property rights. For example, our brand names, especially Reynolds, Hefty, Diamond and Presto, are well-established in the market and have attracted infringers in the past. Additionally, we may not be able to prevent current and former employees, contractors and other parties from misappropriating our confidential and proprietary knowledge. Infringement, misuse or other violation of any of our intellectual property rights may dilute or diminish the value of our brands and products in the marketplace, which could adversely affect our results of operations and make it more difficult for us to maintain a strong market position. While we protect our intellectual property rights, including through litigation, where necessary, we cannot economically prevent all infringement, misuse or other violations, and any litigation could be protracted and costly and could have a material adverse effect on our business and results of operations regardless of its outcome.

Although we believe that our intellectual property rights are sufficient to allow us to conduct our business without incurring liability to third parties, our products and brands may infringe on the intellectual property rights of others, and in the past we have been, and in the future we may be, subject to claims asserting infringement, misuse or other violation of intellectual property rights and seeking damages, the payment of royalties or licensing fees, and/or injunctions against the sales of our products. If we are found to have infringed, misused or otherwise violated the intellectual property rights of others, we could be forced to pay damages, cease use of such intellectual property or, if we are given the opportunity to continue to use the intellectual property rights of others, we could be required to pay a substantial amount for continued use of those rights. Even if we are not found to infringe, misuse or otherwise violate a third party's intellectual property rights, we could incur material legal costs and related expenses to defend against such claims and we could incur significant costs associated with discontinuing to use, provide or manufacture certain products, services or brands. In any case, such claims could be protracted and costly and could have a material adverse effect on our business and results of operations regardless of their outcome.

We depend on intellectual property rights licensed from third parties, and disputes regarding or termination of these licenses could result in loss of rights, which could harm our business.

We are dependent in part on intellectual property rights licensed from third parties. Our licenses to such intellectual property rights may not provide exclusive or unrestricted rights in all fields of use and in all territories in which we may wish to develop or commercialize our products in the future and may restrict our rights to offer certain products in certain markets or impose other obligations on us in exchange for our rights to the licensed intellectual property. In addition, we may not have full control over the maintenance, protection or

use of in-licensed intellectual property rights, and therefore we may be reliant on our licensors to conduct such activities.

Disputes may arise between us and our licensors regarding the scope of rights or obligations under our intellectual property license agreements, including the scope of our rights to use the licensed intellectual property, our rights with respect to third parties, our and our licensors' obligations with respect to the maintenance and protection of the licensed intellectual property, and other interpretation-related issues. The agreements under which we license intellectual property rights from others are complex, and the provisions of such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the intellectual property being licensed, or increase what we believe to be our financial or other obligations under the relevant agreement. Termination of or disputes over such licenses could result in the loss of significant rights.

We are generally also subject to all of the same risks with respect to protection of intellectual property that we license as we are for intellectual property that we own. Any failure on our part or the part of our licensors to adequately protect this intellectual property could have a material adverse effect on our business and results of operations.

Breaches of our information systems security measures could disrupt our internal operations.

We depend on information technology for processing and distributing information in our business, including to and from our customers and suppliers. This information technology could be subject to theft, damage or interruption from a variety of sources, including malicious computer viruses, security breaches, defects in design, employee malfeasance or human or technical errors. Additionally, we could be at risk if a customer's or supplier's information technology system is attacked or compromised. Cybersecurity incidents have increased in number and severity, and it is expected that these trends will continue. Although we have taken measures to protect our data and to protect our computer systems from attacks, they may not be sufficient to prevent unauthorized access to our systems or theft of our data. If we or third parties with whom we do business were to fall victim to cyber-attacks or experience other cybersecurity incidents, such incidents could result in unauthorized access to, disclosure or loss of or damage to company, customer or other third party data; theft of confidential data, including personal information and intellectual property; loss of access to critical data or systems; and other business delays or disruptions. The loss or disclosure of personal information could also expose us to liability or penalties under laws, rules and regulations related to solicitation, collection, processing or use of consumer, customer, vendor or employee information or related data. In addition, we may incur large expenditures to investigate or remediate, to recover data, to repair or replace networks or information technology systems, or to protect against similar future events. If these events were to occur, we could incur substantial costs or suffer other consequences that negatively impact our business, financial condition and results of operations.

We have significant debt, which could adversely affect our financial condition and ability to operate our business.

Upon closing of this offering, we expect to have approximately $2,475 million of outstanding indebtedness under the New Term Loan Facility, and we expect to have material additional borrowing capacity under the New Revolving Facility. For a description of this indebtedness, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Sources of Liquidity." Our debt level and related debt service obligations:

- will require us to dedicate significant cash flow to the payment of principal of, and interest on, our debt, which will reduce the funds we have available for other purposes, including working capital, capital expenditures and general corporate purposes;
- may limit our flexibility in planning for or reacting to changes in our business and market conditions or in funding our strategic growth plan;

- will impose on us financial and operational restrictions; and
- will expose us to interest rate risk on our debt obligations bearing interest at variable rates.

These restrictions could adversely affect our financial condition and limit our ability to successfully implement our growth strategy.

In addition, we may need additional financing to support our business and pursue our growth strategy, including for strategic acquisitions. Our ability to obtain additional financing, if and when required, will depend on investor demand, our operating performance, the condition of the capital markets and other factors. We cannot assure you that additional financing will be available to us on favorable terms when required, or at all. If we raise additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to those of our common stock, and, in the case of equity and equity-linked securities, our existing stockholders may experience dilution.

An increase in market interest rates could increase our interest costs on future debt.

Borrowings under our New Credit Facilities will be at variable rates of interest and we may incur additional variable interest rate indebtedness in the future. This exposes us to interest rate risk, and any interest rate swaps we enter into in order to reduce interest rate volatility may not fully mitigate our interest rate risk. If interest rates were to increase, our debt service obligations on the variable rate indebtedness would increase even if the amount borrowed remained the same, and our net income and cash flows, including cash available for servicing our indebtedness, will correspondingly decrease.

Goodwill and indefinite-lived intangible assets are a material component of our balance sheet and impairments of these assets could have a significant impact on our results.

We have recorded a significant amount of goodwill and indefinite-lived intangible assets, representing our Reynolds and Hefty trade names, on our balance sheet. We test the carrying values of goodwill and indefinite-lived intangible assets for impairment at least annually and whenever events or circumstances indicate the carrying value may not be recoverable. The estimates and assumptions about future results of operations and cash flows made in connection with impairment testing could differ from future actual results of operations and cash flows. While we have concluded that our goodwill and indefinite-lived intangible assets are not impaired, future events could cause us to conclude that the goodwill associated with a given segment, or one of our indefinite- lived intangible assets, may have become impaired. Any resulting impairment charge, although non-cash, could have a material adverse effect on our results of operations and financial condition.

We could be jointly and severally liable for certain pension obligations of our affiliates.

Two members of RGHL Group, Pactiv LLC (“Pactiv”) and Evergreen Packaging LLC (“Evergreen”), sponsor defined benefit pension plans covering a portion of their U.S. employees and retirees. As of September 30, 2019, the combined benefit obligation of these plans was $4,768 million and the combined plan asset value was $3,868 million for a combined underfunding of $900 million, in each case on an accounting basis. If we remain in the same “controlled group” as Pactiv and Evergreen following this offering, third parties may seek to hold us jointly and severally liable for their pension liabilities as long as we remain members of the same controlled group. These pension liabilities could include an obligation to make ongoing contributions to fund the pension plans sponsored by Pactiv and Evergreen and for any unfunded liabilities that may exist at the time Pactiv or Evergreen terminates an underfunded pension plan. Under this theory, we could incur significant liabilities for events beyond our control that are not related to or known by us. As of the date of this prospectus, Pactiv’s and Evergreen’s pension plans are in compliance with the minimum funding standards of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Some of our workforce is covered by collective bargaining agreements, and our business could be harmed in the event of a prolonged work stoppage.

Approximately 24% of our employees are covered by collective bargaining agreements. While we believe we have good relationships with our unionized employees and we have not experienced a significant union-related work stoppage over the last ten years, if we encounter difficulties with renegotiations or renewals of collective bargaining arrangements or are unsuccessful in those efforts, we could incur additional costs and experience work stoppages. We cannot predict how stable our union relationships will be or whether we will be able to successfully negotiate successor collective bargaining agreements without impacting our financial condition. In addition, the presence of unions may limit our flexibility in dealing with our workforce. Work stoppages could negatively impact our ability to manufacture our products on a timely basis, which could have a material adverse effect on our results of operations and financial condition.

Tax legislation initiatives or challenges to our tax positions could adversely affect our operations and financial condition.

We are subject to the tax laws and regulations of the U.S. federal, state and local governments. From time to time, legislative measures may be enacted that could adversely affect our overall tax positions regarding income or other taxes. There can be no assurance that our effective tax rate or tax payments will not be adversely affected by these legislative measures.

For example, the United States federal government recently enacted tax reform that, among other things, reduced U.S. federal corporate income tax rates, imposed limits on tax deductions for interest expense, changed the rules related to capital expenditure cost recovery and changed many of the rules related to the taxation of business income generated outside of the United States. There are a number of uncertainties and ambiguities as to the interpretation and application of many of the provisions of the newly enacted tax reform measure. Given the unpredictability of these possible changes and their potential interdependency, it remains difficult to assess the overall effect such tax changes will have on our earnings and cash flow, and the extent to which such changes could adversely impact our results of operations. As the impacts of the new law are determined, and as regulations and other guidance interpreting the new law are issued and finalized, our financial results could be impacted.

In addition, U.S. federal, state and local tax laws and regulations are extremely complex and subject to varying interpretations. There can be no assurance that our tax positions will be sustained if challenged by relevant tax authorities and if not sustained, there could be a material adverse effect on our results of operations, financial condition and cash flows.

Our insurance coverage may not adequately protect us against business and operating risks.

We maintain insurance for some, but not all, of the potential risks and liabilities associated with our business. For some risks, we may not obtain insurance if we believe the cost of available insurance is excessive in relation to the risks presented. As a result of market conditions, premiums and deductibles for certain insurance policies can increase substantially, and in some instances, certain insurance policies are economically unavailable or available only for reduced amounts of coverage. For example, we will not be fully insured against all risks associated with pollution and other environmental incidents or impacts. Moreover, we may face losses and liabilities that are uninsurable by their nature, or that are not covered, fully or at all, under our existing insurance policies. Any significant uninsured liability may require us to pay substantial amounts, which would adversely affect our cash position and results of operations.

Legal claims and proceedings could adversely impact our business.

As a large company with a long history of serving consumers, we may be subject to a wide variety of legal claims and proceedings, including disputes relating to intellectual property, contracts, product liability,

marketing, advertising, foreign exchange controls, antitrust and trade regulation, as well as labor and employment, pension, data privacy and security, environmental and tax matters and consumer class actions. Regardless of their merit, these claims can require significant time and expense to investigate and defend. Since litigation is inherently uncertain, there is no guarantee that we will be successful in defending ourselves against such claims or proceedings, or that our assessment of the materiality of these matters, including any reserves taken in connection therewith, will be consistent with the ultimate outcome of such matters. The resolution of, or increase in the reserves taken in connection with, one or more of these matters could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Risks Relating to Our Common Stock and this Offering

There may not be an active, liquid trading market for our common stock.

Prior to this offering, there has been no public market for shares of our common stock. We cannot predict the extent to which investor interest in our company will lead to the development of a trading market on Nasdaq or how liquid that market may become. If an active trading market does not develop, you may have difficulty selling any of our common stock that you purchase. The initial public offering price of our common stock will be determined by negotiation between us and the underwriters and may not be indicative of prices that will prevail following the closing of this offering. The market price of shares of our common stock may decline below the initial public offering price, and you may not be able to resell your shares of our common stock at or above the initial public offering price.

We expect that our common stock price will fluctuate significantly, and you may not be able to resell your common stock at or above the initial public offering price.

The trading price of our common stock is likely to be volatile and subject to wide price fluctuations in response to various factors, including those described above in "—Risks Relating to Our Business and Industry." In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. If the market price of our common stock declines significantly, you may be unable to resell your common stock at or above the initial public offering price, if at all. In addition to the factors described above in "—Risks Relating to Our Business and Industry," some of the factors that could negatively affect our share price or result in fluctuations in the price or trading volume of our common stock include:

- market conditions in the broader stock market in general, or in our industry in particular;
- actual or anticipated fluctuations in our quarterly financial and operating results;
- introduction of new products and services by us or our competitors;
- issuance of new or changes in securities analysts' reports or recommendations;
- our inability to meet the financial estimates of analysts who follow our company;
- strategic actions by us or our competitors, such as acquisitions, restructurings, significant contracts, joint marketing relationships, joint ventures or capital commitments;
- sales of large blocks of our common stock;
- additions or departures of key personnel;
- changes in accounting standards, policies, guidance, interpretations or principles;
- perceptions of the investment opportunity associated with our common stock relative to other investment alternatives;
- the public reactions to our press releases, other public announcements and filings with the SEC;

- any increased indebtedness we may incur in the future;
- regulatory developments;
- actions by institutional stockholders;
- litigation and governmental investigations; and
- economic and political conditions or events.

These and other factors may cause the market price and demand for our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. The stock market in general has from time to time experienced extreme price and volume fluctuations, including in recent months. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business.

If securities or industry analysts do not publish research or reports about our business, or they publish inaccurate or unfavorable reports about our business, the price of our common stock and trading volume could decline.

The trading market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business, our market and our competitors. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our shares of common stock or change their opinion of our common stock, our common stock price would likely decline. If one or more of these analysts cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our common stock price or trading volume to decline.

Substantial future sales by PFL or others of our common stock, or the perception that such sales may occur, could depress the price of our common stock.

Following the closing of this offering, PFL will control a majority of the voting power of our outstanding common stock. Subject to the restrictions described in the paragraph below, future sales of PFL's shares in the public market will be subject to the volume and other restrictions of Rule 144 under the Securities Act of 1933 ("Securities Act") for so long as PFL is deemed to be our affiliate, unless the shares to be sold are registered with the SEC. We do not know whether or when PFL will sell shares of our common stock following this offering. The sale by PFL or others of a substantial number of shares of our common stock after this offering, or a perception that such sales could occur, could significantly reduce the market price of our common stock. Subject to the lock-up agreements discussed below and our agreements with RGHL Group described in "Certain Relationships and Related Party Transactions," we are not restricted from issuing additional common stock, including any securities that are convertible into or exchangeable for, or that represent the right to receive, common stock or any substantially similar securities. The perception of a potential sell-down by PFL could depress the market price of our common stock and make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

Upon the closing of this offering, except as otherwise described herein, all shares of common stock that are being offered hereby will be freely tradable without restriction, assuming they are not held by our "affiliates," as that term is defined in Rule 144 under the Securities Act. In addition, we intend to grant registration rights to PFL, pursuant to which PFL will have the right to demand that we register common stock held by PFL under the Securities Act as well as the right to demand that we include any such common stock in any registration statement that we file with the SEC, subject to certain exceptions. See "Shares Eligible for Future Sale—Registration Rights." Any common stock registered pursuant to the registration rights agreement described in "Certain Relationships and Related Party Transactions" will be freely tradable in the public market, subject to

applicable lock-up periods, if any. In addition, in connection with this offering, we, our directors and our executive officers and PFL have each agreed, subject to certain exceptions, to be subject to a 180-day lock-up restriction. See "Shares Eligible for Future Sale—Lock-up Agreements." Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC may waive these restrictions at their discretion. The market price of our common stock may decline significantly when this lock-up restriction lapses.

Investors purchasing common stock in this offering will experience immediate and substantial dilution as a result of this offering and any future equity issuances.

The initial public offering price of our common stock is substantially higher than the pro forma net tangible book value per share of our common stock. Dilution is the difference between the initial public offering price per share of common stock and the pro forma net tangible book value per share of common stock after this offering. If you purchase shares of common stock in this offering, you will incur immediate and substantial dilution in the amount of $35.23 per share of common stock. In addition, if we issue additional equity securities in the future, including to our employees and directors under our equity incentive plan, investors purchasing shares of common stock in this offering will experience additional dilution. See "Dilution."

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management and limit the market price of our common stock.

Provisions in our amended and restated certificate of incorporation and bylaws, as will be amended and restated prior to the closing of this offering, may have the effect of delaying or preventing a change of control or changes in our management. Our amended and restated certificate of incorporation and amended and restated bylaws will include provisions that:

- provide for a staggered board;
- require at least 66$^{2/3}$% of the votes that all of our stockholders would be entitled to cast in an annual election of directors in order to amend our certificate of incorporation and bylaws after the date on which PFL and all other entities beneficially owned by Mr. Graeme Richard Hart or his estate, heirs, executor, administrator or other personal representative, or any of his immediate family members or any trust, fund or other entity which is controlled by his estate, heirs, any of his immediate family members or any of their respective affiliates (PFL and all of the foregoing, collectively, the "Hart Entities") and any other transferee of all of the outstanding shares of common stock held at any time by the Hart Entities which are transferred other than pursuant to a widely distributed public sale ("Permitted Assigns") beneficially own less than 50% of the outstanding shares of our common stock;
- eliminate the ability of our stockholders to call special meetings of stockholders after the date on which the Hart Entities or Permitted Assigns beneficially own less than 50% of the outstanding shares of our common stock;
- prohibit stockholder action by written consent, instead requiring stockholder actions to be taken solely at a duly convened meeting of our stockholders, after the date on which the Hart Entities or Permitted Assigns beneficially own less than 50% of the outstanding shares of our common stock;
- permit our board of directors, without further action by our stockholders, to fix the rights, preferences, privileges and restrictions of preferred stock, the rights of which may be greater than the rights of our common stock;
- restrict the forum for certain litigation against us to Delaware; and
- establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. As a result, these provisions may adversely affect the market price and market for our common stock if they are viewed as limiting the liquidity of our stock. These provisions may also make it more difficult for a third party to acquire us in the future, and, as a result, our

stockholders may be limited in their ability to obtain a premium for their shares of common stock. See "Description of Capital Stock."

Furthermore, in connection with this offering, we will enter into a stockholders agreement with PFL. The stockholders agreement will provide PFL with the right to nominate a certain number of directors to our board of directors so long as the Hart Entities beneficially own at least 10% of the outstanding shares of our common stock. See "Certain Relationships and Related Party Transactions—Stockholders Agreement."

Our amended and restated certificate of incorporation will provide that the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation will provide that the Court of Chancery of the State of Delaware is the exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine. Notwithstanding the foregoing, the exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Securities and Exchange Act of 1934 ("Exchange Act"), the Securities Act or any other claim for which the federal courts have exclusive jurisdiction. The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and other employees. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could materially and adversely affect our business, financial condition and results of operations.

The requirements of being a public company may strain our resources, divert management's attention and affect our ability to attract and retain qualified board members.

As a public company, we will be subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley Act") and stock exchange rules promulgated in response to the Sarbanes-Oxley Act. The requirements of these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources. After the closing of this offering, we will be obligated to file with the SEC annual and quarterly information and other reports that are specified in the Exchange Act, and therefore will need to have the ability to prepare financial statements that are compliant with all SEC reporting requirements on a timely basis. In addition, we will be subject to other reporting and corporate governance requirements, including certain requirements of Nasdaq and certain provisions of the Sarbanes-Oxley Act and the regulations promulgated thereunder, which will impose significant compliance obligations upon us. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal controls for financial reporting. In order to maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required, and management's attention may be diverted from other business concerns. These rules and regulations could also make it more difficult for us to attract and retain qualified independent members of our board of directors. Additionally, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance. We may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. Furthermore, because we have not operated as a company with equity listed on a national securities exchange in the past, we might not be successful in implementing these requirements. The increased costs of compliance with public company reporting requirements and our potential

failure to satisfy these requirements could have a material adverse effect on our operations, business, financial condition and results of operations.

Failure to establish and maintain effective internal controls over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and reputation.

We are not currently required to comply with the rules of the SEC implementing Section 404 of the Sarbanes-Oxley Act and are therefore not required to make a formal assessment of the effectiveness of our internal control over financial reporting for that purpose. Upon becoming a public company, we will be required to comply with the SEC's rules implementing Sections 302 and 404 of the Sarbanes-Oxley Act, which will require management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of controls over financial reporting.

When evaluating our internal controls over financial reporting, we may identify material weaknesses that we may not be able to remediate in time to meet the applicable deadline imposed upon us for compliance with the requirements of Section 404 of the Sarbanes-Oxley Act. Testing and maintaining our internal control over financial reporting may also divert management's attention from other matters that are important to the operation of our business. In addition, if we fail to achieve and maintain the adequacy of our internal controls, as such standards are modified, supplemented or amended from time to time, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal controls over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act. We cannot be certain as to the timing of completion of our evaluation, testing and any remediation actions or the impact of the same on our operations. If we are not able to implement the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner or with adequate compliance, our independent registered public accounting firm may issue an adverse opinion due to ineffective internal controls over financial reporting, and we may be subject to sanctions or investigation by regulatory authorities, such as the SEC. Moreover, any material weakness or other deficiencies in our internal control over financial reporting may impede our ability to file timely and accurate reports with the SEC. Any of the above could cause a negative reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. In addition, we may be required to incur costs in improving our internal control system and the hiring of additional personnel. Any such action could negatively affect our results of operations and cash flows.

We intend to pay regular dividends on our common stock, but our ability to do so may be limited.

Following the closing of this offering, we intend to pay cash dividends on our common stock on a quarterly basis, subject to the discretion of our board of directors and our compliance with applicable law, and depending on our results of operations, capital requirements, financial condition, business prospects, contractual restrictions, restrictions imposed by applicable laws and other factors that our board of directors deems relevant. See "Dividend Policy."

Our ability to pay dividends may also be restricted by the terms of any future credit agreement, including the New Credit Facilities, or any future debt or preferred equity securities. Our dividend policy entails certain risks and limitations, particularly with respect to our liquidity. By paying cash dividends rather than investing that cash in our business or repaying any outstanding debt, we risk, among other things, slowing the expansion of our business, having insufficient cash to fund our operations or make capital expenditures or limiting our ability to incur borrowings. Our board of directors will periodically review the cash generated from our business and the capital expenditures required to finance our growth plans and determine whether to modify the amount of regular dividends and/or declare any periodic special dividends. There can be no assurance that our board of directors will not reduce the amount of regular cash dividends or cause us to cease paying dividends altogether.

We could incur significant liabilities if we take certain actions that result in assessment of U.S. federal income tax on certain internal transactions undertaken by RGHL Group in preparation for this offering.

We historically operated as part of RGHL Group. In preparation for this offering, RGHL Group will effect certain distributions pursuant to the Corporate Reorganization to transfer its interests in us to PFL in a manner that is intended to qualify as tax-free to PFL, RGHL and RGHI under Sections 368(a)(1)(D) and 355 of the Internal Revenue Code of 1986, as amended ("Code"). RGHL will receive a tax opinion as to the tax treatment of these distributions, which will rely on certain facts, assumptions, representations and undertakings from Mr. Graeme Hart, RGHL Group and us regarding the past and future conduct of the companies' respective businesses and other matters. If any of these facts, assumptions, representations or undertakings are incorrect or not otherwise satisfied, RGHL may not be able to rely on the opinion of tax counsel and could be subject to significant tax liabilities. Notwithstanding the opinion of tax counsel, the Internal Revenue Service ("IRS") could determine on audit that these distributions are taxable if it determines that any of these facts, assumptions, representations or undertakings are not correct or have been violated or if it disagrees with the conclusions in the opinion, or for other reasons, including as a result of certain significant changes in the stock ownership of RGHL, RGHI or us after the distributions. If the distributions are determined to be taxable for U.S. federal income tax purposes, PFL, RGHL and RGHI could incur significant U.S. federal income tax liabilities, and we could also incur significant liabilities. Under the tax matters agreement between RGHL and us ("Tax Matters Agreement"), we will generally be required to indemnify RGHL Group against taxes incurred by them that arise as a result of, among other things, a breach of any representation made by us, including those provided in connection with the opinion of tax counsel or us taking or failing to take, as the case may be, certain actions, in each case, that result in any of the distributions failing to meet the requirements of a tax-free distribution under Sections 355 and 368(a)(1)(D) of the Code. For a discussion of the Tax Matters Agreement, please refer to the section entitled "Certain Relationships and Related Party Transactions—Tax Matters Agreement."

We may be affected by significant restrictions, including on our ability to engage in certain corporate transactions for a two-year period after the Corporate Reorganization, in order to avoid triggering significant tax-related liabilities.

To preserve the tax-free treatment for U.S. federal income tax purposes to RGHL Group of the distributions to be effected pursuant to the Corporate Reorganization, under the Tax Matters Agreement that we will enter into with RGHL, we will be restricted from taking any action that prevents these distributions from being tax-free for U.S. federal income tax purposes. Under the Tax Matters Agreement, for the two-year period following these distributions, we will be subject to specific restrictions on our ability to enter into acquisition, merger, liquidation, sale and stock redemption transactions with respect to our stock. These restrictions may limit our ability to pursue certain strategic transactions or other transactions that we may believe to be in the best interests of our stockholders or that might increase the value of our business. These restrictions will not limit the acquisition of other businesses by us for cash consideration. Furthermore, we will be subject to specific restrictions on discontinuing the active conduct of our trade or business and the issuance or sale of stock or other securities (including securities convertible into our stock but excluding certain compensatory arrangements), which may limit our ability to effect certain anti-takeover provisions related to the issuance of preferred stock. Such restrictions may reduce our strategic and operating flexibility, including our options for raising equity capital. For a discussion of the Tax Matters Agreement, please refer to the section entitled "Certain Relationships and Related Party Transactions—Tax Matters Agreement."

Risks Relating to Our Relationship with RGHL Group, PFL and Rank

PFL controls the direction of our business and PFL's concentrated ownership of our common stock will prevent you and other stockholders from influencing significant decisions.

Upon closing of this offering, PFL will own, and control the voting power of, approximately 77% of our outstanding shares of common stock (or approximately 74% if the underwriters' option to purchase additional shares of common stock is exercised in full). As long as PFL continues to control a majority of the voting power

of our outstanding common stock, it will generally be able to determine the outcome of all corporate actions requiring stockholder approval, including the election and removal of directors.

PFL and its affiliates engage in a broad spectrum of activities. In the ordinary course of their business activities, PFL and its affiliates may engage in activities where their interests may not be the same as, or may conflict with, the interests of our other stockholders. Investors in this offering will not be able to affect the outcome of any stockholder vote while PFL controls the majority of the voting power of our outstanding common stock. As a result, PFL will be able to control, directly or indirectly and subject to applicable law, the composition of our board of directors, which in turn will be able to control all matters affecting us, including, among others:

- any determination with respect to our business direction and policies, including the appointment and removal of officers and directors;
- the adoption of amendments to our amended and restated certificate of incorporation;
- any determinations with respect to mergers, business combinations or disposition of assets;
- compensation and benefit programs and other human resources policy decisions;
- the payment of dividends on our common stock; and
- determinations with respect to tax matters.

In addition, the concentration of PFL's ownership could also discourage others from making tender offers, which could prevent holders from receiving a premium for their common stock.

Because PFL's interests may differ from ours or from those of our other stockholders, actions that PFL takes with respect to us, as our controlling stockholder, may not be favorable to us or our other stockholders, including holders of our common stock.

If we are no longer affiliated with RGHL Group, we may be unable to continue to benefit from that relationship, which may adversely affect our operations and have a material adverse effect on us.

Our affiliation with RGHL Group provides us with increased scale and reach. We leverage our combined scale to coordinate purchases across our operations to reduce costs. If we no longer benefit from this relationship, whether because we are no longer affiliated with RGHL Group or otherwise, it may result in increased costs for us and higher prices to our customers because we may be unable to obtain goods, services, and technology from unaffiliated third parties on terms as favorable as those previously obtained. As a result of any the above factors, we may be precluded from pursuing certain opportunities that we would otherwise pursue, including growth opportunities, which in turn may adversely affect our business, financial condition and results of operations.

We have entered, and may continue to enter, into certain related party transactions. There can be no assurance that we could not have achieved more favorable terms if such transactions had not been entered into with related parties, or that we will be able to maintain existing terms in the future.

We have entered into various transactions with Rank and other related parties that are members of RGHL Group, including, among others, agreements relating to:

- the lease for our corporate headquarters in Lake Forest, Illinois;
- the lease for a facility used for certain research and development activities in Canandaigua, New York;
- the RGHI TSA whereby RGHL Group will continue to provide certain administrative services to us, including information technology service; accounting, treasury, financial reporting and transaction support; human resources; procurement; tax, legal and compliance related services; and other corporate services, and we will provide certain services to RGHL Group, including human resources; compliance; and procurement, in each case for up to 24 months;

- the Rank TSA whereby, upon our request, Rank will provide certain administrative services to us, including financial reporting, consulting and compliance services, insurance procurement and human resources support, legal and corporate secretarial support, and related services for up to 24 months;
- a transition and support agreement for our Red Bluff, California and Huntersville, North Carolina facilities;
- supply agreements where we sell certain products (primarily aluminum foil containers and roll foil) to, and purchase certain products (primarily tableware), from Pactiv; and
- a warehousing and freight services agreement whereby Pactiv provides certain logistics services to us.

While we believe that all such transactions have been negotiated on an arm's length basis and contain commercially reasonable terms, we may have been able to achieve more favorable terms had such transactions been entered into with unrelated parties. In addition, while these services are being provided to us by related parties, our operational flexibility to modify or implement changes with respect to such services or the amounts we pay for them may be limited. At the conclusion of the RGHI TSA, the Rank TSA and the logistics agreement, we will have to perform such services with internal resources or contract with third party providers. There could be disruptions upon transition, and there can be no assurance that we will be able to perform or obtain the necessary services at the same or lower cost. Such related party transactions may also potentially involve conflicts of interest. In the event of a dispute under any of these related party agreements, RGHL Group could decide the matter in a way adverse to us, and our ability to enforce our contractual rights may be limited.

It is also likely that we may enter into related party transactions in the future. Although material related party transactions that we may enter into will be subject to approval or ratification of a designated committee of our board of directors (which will initially be the audit committee) or other committee designated by our board of directors made up solely of independent directors, there can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations, or that we could not have achieved more favorable terms if such transactions had not been entered into with related parties.

For additional information, see "Certain Relationships and Related Party Transactions."

We have no operating history as a stand-alone public company, and our historical and pro forma combined financial data is not necessarily representative of the results we would have achieved as a stand-alone public company and may not be a reliable indicator of our future results.

We have historically operated as part of RGHL Group and not as a stand-alone entity. We have no operating history as a separate publicly traded company. The combined historical information in this prospectus refers to our business as part of RGHL Group. We derived the historical and pro forma combined financial data included in this prospectus from the consolidated financial statements and accounting records of RGHL Group. This information does not necessarily reflect the financial position, results of operations, and cash flows we would have achieved as a public company during the periods presented, or those that we will achieve in the future.

This is primarily because of the following factors:

- RGHL Group historically performed or supported various corporate services for us, including executive management, supply chain, information technology, legal, finance and accounting, human resources, risk management, tax, treasury, and other services. Our historical and pro forma combined financial data reflects allocations of corporate expenses from RGHL Group for these and similar functions. These allocations may not reflect the costs we will incur for similar services in the future as a public company.
- We will have entered into certain agreements with RGHL Group (including Pactiv, which will remain one of our largest customers) and Rank, including supply agreements to sell products (mostly aluminum foil containers and aluminum foil) and purchase products (mostly tableware). Upon the expiration of these agreements, we will be required to negotiate new arrangements with RGHL Group, Rank and/or unaffiliated third parties, and these new arrangements may not reflect terms as favorable as those

previously obtained from RGHL Group and Rank. For additional information, see "Certain Relationships and Related Party Transactions."

- We have relied upon RGHL Group for working capital requirements and other cash requirements. Subsequent to this offering, RGHL Group will not be providing us with funds to finance our working capital or other cash requirements. After this offering, our access to and cost of debt financing may be different from the historical access to and cost of debt financing under RGHL Group. Differences in access to and cost of debt financing may result in differences in the interest rate charged to us on financings, as well as the amounts of indebtedness, types of financing structures and debt markets that may be available to us, which could have an adverse effect on our business, financial condition and results of operations and cash flows.
- Historically, we have sold substantially all of our U.S. trade receivables through RGHL Group's securitization facility. This non-recourse factoring arrangement satisfied all of the conditions that result in the derecognition of our trade receivables. Prior to the closing of this offering, we will repurchase all U.S. trade receivables outstanding as of the time of the repurchase of such trade receivables. After the closing of this offering, we will collect our trade receivables in the ordinary course of business.
- Our historical and pro forma combined financial data has not been adjusted and does not reflect changes that we expect to experience as a result of our transition to becoming a public company. These changes include (1) changes in our cost structure, personnel needs, tax structure, and business operations, (2) changes in our management, (3) potential increased costs associated with reduced economies of scale, and (4) increased costs associated with corporate governance, investor and public relations, and public company reporting and compliance.

Therefore, our historical and pro forma combined financial data may not necessarily be indicative of our future financial position, results of operations, or cash flows, and the occurrence of any of the risks discussed in this "Risk Factors" section, or any other event, could cause our future financial position, results of operations, or cash flows to materially differ from our historical and pro forma combined financial data. While we have been profitable as part of RGHL Group, we cannot assure you that our profits will continue at a similar level when we are a stand-alone public company.

For additional information about the past financial performance of our business and the basis of presentation of the historical combined financial statements and the unaudited pro forma combined financial statements of our business, see the sections entitled "Selected Historical Combined Financial Data," "Unaudited Pro Forma Combined Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical combined financial statements and accompanying notes included elsewhere in this prospectus.

Our ability to operate our business effectively may suffer if we do not, quickly and cost effectively, establish our own financial, administrative, and other support functions, and we cannot assure you that the transitional services RGHL Group and Rank have agreed to provide us will be sufficient for our needs.

Historically, we have relied on financial, administrative, and other resources of RGHL Group to operate our business. In conjunction with our anticipated separation from RGHL Group, we intend to create our own financial, administrative and other support systems or contract with third parties to replace RGHL Group's systems. Prior to the closing of this offering, we will enter into agreements with RGHL Group and Rank under which RGHL Group and Rank will provide certain transitional services to us, such as supply chain, information technology, legal, finance and accounting, human resources, tax, treasury and other services, as well as access to certain information technology systems shared with RGHL Group and subject to data access controls. See "Certain Relationships and Related Party Transactions—Transactions to be Entered into in Connection with this Offering" for a description of these services. These services and data access controls may not be sufficient to meet our needs. After our agreements with RGHL Group and Rank expire, we may not be able to obtain these services at prices or on terms that are as favorable. Any failure or significant downtime in our own financial,

administrative or other support systems or in RGHL Group's or Rank's financial, administrative or other support systems during the transitional period could negatively impact our results of operations.

If PFL sells a controlling interest in our company to a third party in a private transaction, you may not realize any change-of-control premium on shares of our common stock and we may become subject to the control of a presently unknown third party.

Upon closing of this offering, PFL will own, and control the voting power of, approximately 77% of our outstanding shares of common stock (or approximately 74% if the underwriters' option to purchase additional shares of common stock is exercised in full). PFL will have the ability, should it choose to do so, to sell some or all of its shares of our common stock in a privately negotiated transaction, which, if sufficient in size, could result in a change of control of our company.

The ability of PFL to privately sell its shares of our common stock, with no requirement for a concurrent offer to be made to acquire all of the shares of our common stock that will be publicly traded hereafter, could prevent you from realizing any change-of-control premium on your shares of our common stock that may otherwise accrue to PFL on its private sale of our common stock. Additionally, if PFL privately sells its significant equity interest in our company, we may become subject to the control of a presently unknown third party. Such third party may have conflicts of interest with those of other stockholders. In addition, if PFL sells a controlling interest in our company to a third party, our liquidity could be impaired, our outstanding indebtedness may be subject to acceleration and our commercial agreements and relationships could be impacted, all of which may adversely affect our ability to run our business as described herein and may have a material adverse effect on our results of operations and financial condition.

We will be a "controlled company" within the meaning of the rules of Nasdaq and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to stockholders of companies that are subject to such requirements.

Upon closing of this offering, PFL will continue to control a majority of the voting power of our outstanding common stock. As a result, we will be a "controlled company" within the meaning of the corporate governance standards of Nasdaq. Under these rules, a listed company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements, including:

- the requirement that a majority of the board of directors consist of independent directors;
- the requirement that our compensation, nominating and corporate governance committee be composed entirely of independent directors; and
- the requirement for an annual performance evaluation of our compensation, nominating and corporate governance committee.

While PFL controls a majority of the voting power of our outstanding common stock, we intend to rely on these exemptions and, as a result, will not have a majority of independent directors on our board of directors or a compensation, nominating and corporate governance committee consisting entirely of independent directors. Upon the closing of this offering, we expect that four of our six directors will not qualify as "independent directors" under the applicable rules of Nasdaq. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of Nasdaq.

RGHL Group may compete with us, and its competitive position in certain markets may constrain our ability to build and maintain partnerships.

We may face competition from a variety of sources, including Pactiv and other members of the RGHL Group, both today and in the future. For example, while we do have supply agreements in place with Pactiv,

Pactiv may still compete with us in certain products and/or in certain channels. In addition, while none of the other members of the RGHL Group currently manufacture or sell products that compete with our products, they may do so in the future, including as a result of acquiring a company that operates as a manufacturer of consumer products. Due to the significant resources of RGHL Group, including financial resources and know-how resulting from the previous management of our business, RGHL Group could have a significant competitive advantage should it decide to engage in the type of business we conduct, which may materially and adversely affect our business, financial condition and results of operations. Although Pactiv has historically sold the products (primarily tableware and cups) that we purchase from it in the foodservice business-to-business channel, after the termination of our supply agreement with Pactiv it could seek to sell such products in the retail channel or otherwise compete with us, especially where we sell private label or store brand products. As our former supplier, Pactiv would have information about products, including pricing, that could give it a competitive advantage.

In addition, we may partner with companies that compete with RGHL Group in certain markets. Our affiliation with RGHL Group may affect our ability to effectively partner with these companies. These companies may favor our competitors because of our relationship with RGHL Group.

Conflicts of interest may arise because certain of our directors will hold a management or board position with RGHL Group entities.

Three of our directors are also directors of RGHL and other RGHL Group entities. The interests of these directors in RGHL, other RGHL Group entities and us could create, or appear to create, conflicts of interest with respect to decisions involving both us and RGHL or RGHL Group entities that could have different implications for RGHL or RGHL Group entities and us. These decisions could, for example, relate to:

- disagreement over corporate opportunities;
- competition between us and RGHL Group;
- employee retention or recruiting;
- our dividend policy; and
- the services and arrangements from which we benefit as a result of our relationship with RGHL Group.

Conflicts of interest could also arise if we enter into any new commercial arrangements with RGHL Group in the future, or if RGHL Group decides to compete with us in any of our product categories. The presence of directors or officers of entities affiliated with RGHL on our board of directors could create, or appear to create, conflicts of interest and conflicts in allocating their time with respect to matters involving both us and any one of them, or involving us and RGHL, that could have different implications for any of these entities than they do for us. Provisions of our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect prior to the closing of this offering address corporate opportunities that are presented to our directors who are also directors or officers of RGHL and certain of its subsidiaries. See “Description of Capital Stock.” We cannot assure you that our amended and restated certificate of incorporation will adequately address potential conflicts of interest or that potential conflicts of interest will be resolved in our favor or that we will be able to take advantage of corporate opportunities presented to individuals who are directors of both us and entities affiliated with RGHL. As a result, we may be precluded from pursuing certain advantageous transactions or growth initiatives.

Our inability to resolve in a manner favorable to us any potential conflicts or disputes that arise between us and RGHL Group, PFL or Rank with respect to our past and ongoing relationships may adversely affect our business and prospects.

Potential conflicts or disputes may arise between RGHL Group, PFL or Rank and us in a number of areas relating to our past or ongoing relationships, including:

- tax, employee benefit, indemnification and other matters arising from our relationship with RGHL Group, PFL or Rank;
- business combinations involving us;
- the nature, quality and pricing of services RGHL Group and Rank have agreed to provide us;
- business opportunities that may be attractive to us and RGHL Group;
- intellectual property or other proprietary rights; and
- joint sales and marketing activities with RGHL Group.

The resolution of any potential conflicts or disputes between us, RGHL Group, PFL or Rank or their subsidiaries over these or other matters may be less favorable to us than the resolution we might achieve if we were dealing with an unaffiliated third party.

The agreements we have entered into with RGHL Group and Rank, which are described in this prospectus, are of varying durations and may be amended upon agreement of the parties. PFL will be able to determine the outcome of all matters requiring stockholder approval and will be able to cause or prevent a change of control of our company or a change in the composition of our board of directors, and could preclude any acquisition of our company. For so long as we are controlled by PFL, we may be unable to negotiate renewals or amendments to these agreements, if required, on terms as favorable to us as those we would be able to negotiate with an unaffiliated third party. For more information, see “Certain Relationships and Related Party Transactions.”

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

We have made statements under the captions “Prospectus Summary,” “Risk Factors,” “Unaudited Pro Forma Combined Financial Data,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Business,” and in other sections of this prospectus that are forward-looking statements. In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential” or “continue,” the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, our anticipated growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including those factors discussed under the caption entitled “Risk Factors.” You should specifically consider the numerous risks outlined under “Risk Factors.” These risks and uncertainties include factors related to:

- changes in consumer preferences, lifestyle and environmental concerns;
- relationships with our major customers, consolidation of our customer bases and loss of a significant customer;
- competition and pricing pressures;
- loss of any of our key manufacturing facilities;
- our suppliers of raw materials and any interruption in our supply of raw materials;
- costs of raw materials, energy and freight, including the impact of tariffs, trade sanctions and similar matters affecting our importation of certain raw materials;
- our ability to develop and maintain brands that are critical to our success;
- economic downturns in our target markets; and
- difficulty meeting our sales growth objectives and innovation goals.

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. We are under no duty to update any of these forward-looking statements after the date of this prospectus to conform our prior statements to actual results or revised expectations.

USE OF PROCEEDS

We estimate that the net proceeds to us from this offering will be approximately $1,190 million, or approximately $1,369 million if the underwriters exercise their option to purchase additional shares in full, assuming an initial public offering price at the midpoint of the range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses.

We intend to use the net proceeds from this offering to repay amounts owed under the IPO Settlement Facility incurred as part of the Corporate Reorganization. The IPO Settlement Facility is scheduled to mature on the first business day after the closing date of this offering and will accrue interest at a rate equal to the LIBOR rate for an interest period of one month, determined as of approximately 11:00 a.m. (London time) one business day prior to the closing date. We intend to use the net proceeds of the New Term Loan Facility to settle certain related party borrowings, including amounts arising as part of the Corporate Reorganization prior to the closing of this offering. Related party borrowings owed to RGHL Group will be settled as part of the Corporate Reorganization prior to this offering. Each $1 increase (decrease) in the public offering price per share would increase (decrease) our net proceeds, after deducting estimated underwriting discounts and commissions, by $45 million (assuming no exercise of the underwriters' option to purchase additional shares of common stock) and would reduce (increase) the amount of related party borrowings that would otherwise be capitalized as additional paid-in capital.

We intend to use the net proceeds from the underwriters' exercise of their option to purchase additional shares of common stock, if any, to repay a portion of the New Term Loan Facility or for general corporate purposes. The New Term Loan Facility is scheduled to mature in the first quarter of 2027 and is expected to bear interest, at our option, at a rate per annum equal to an applicable margin over either (a) a base rate determined by reference to the highest of (1) the administrative agent's prime lending rate, (2) the federal funds effective rate plus 0.5% and (3) the LIBOR rate for a one month interest period plus 1.00% or (b) a LIBOR rate determined by reference to the LIBOR rate as set forth by any service selected by the administrative agent that has been nominated by the ICE Benchmark Administration Limited (or any successor administrator) as an authorized information vendor for the purpose of displaying such rates (or, if the ICE Benchmark Administration Limited no longer administers such rate, the equivalent rate for deposits in dollars administered by any successor administrator of such rate for the interest period relevant to such borrowing), in each case, subject to interest rate floors. The applicable margin on the New Term Loan Facility is yet to be determined and is subject to market conditions at or prior to the time we execute definitive documentation for the New Credit Facilities. See "Unaudited Pro Forma Combined Financial Data" for additional details regarding the expected interest rate on the New Term Loan Facility, including an assumed applicable margin based on information available at the date of this prospectus and sensitivity analysis. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Sources of Liquidity—New Credit Facilities."

An affiliate of Goldman Sachs & Co. LLC, which is an underwriter in this offering, is the lender under the IPO Settlement Facility. The net proceeds from this offering will be used to repay the IPO Settlement Facility. Because of the manner in which the proceeds will be used, this offering will be conducted in accordance with Financial Industry Regulatory Authority, Inc., or FINRA, Rule 5121. This rule requires, among other things, that a qualified independent underwriter has participated in the preparation of, and has exercised the usual standards of ''due diligence'' with respect to, this prospectus and the registration statement of which this prospectus forms a part. Credit Suisse Securities (USA) LLC has agreed to act as qualified independent underwriter for the offering and to undertake the legal responsibilities and liabilities of an underwriter under the Securities Act, specifically including those inherent in Section 11 of the Securities Act. We will agree to indemnify Credit Suisse Securities (USA) LLC against liabilities incurred in connection with acting as qualified independent underwriter, including liabilities under the Securities Act. Moreover, Goldman Sachs & Co. LLC is not permitted to sell common stock in this offering to an account over which it exercises discretionary authority without the prior specific written approval of the account holder. See "Underwriting (Conflicts of Interest)."

DIVIDEND POLICY

Following the closing of this offering and subject to legally available funds, we intend to pay quarterly cash dividends on our common stock. For fiscal year 2020, we expect to pay a quarterly cash dividend of $0.223 per share. However, we expect the initial dividend for the quarter ending on March 31, 2020 to be a prorated cash dividend for the period beginning on the first day of trading of our common stock on Nasdaq and ending on the last day of that period. We expect this initial dividend to be approximately $0.15 per share. This initial dividend is expected to be paid in mid-April 2020. Thereafter, the quarterly dividend will be paid subsequent to the close of each fiscal quarter.

Any declaration and payment of future dividends to holders of our common stock will be at the discretion of our board of directors and will depend on many factors, including general and economic conditions, our financial condition and operating results, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions, including restrictive covenants contained in our financing agreements and such other factors as our board of directors may deem relevant. See “Risk Factors—Risks Relating to Our Common Stock and this Offering—We intend to pay regular dividends on our common stock, but our ability to do so may be limited.”

Under Delaware law, dividends may be payable only out of surplus, which is calculated as our net assets less our liabilities and our capital, or, if we have no surplus, out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year.

CAPITALIZATION

The following table sets forth our cash, cash equivalents and capitalization as of September 30, 2019:

- on an actual basis; and
- on a pro forma basis to reflect:
  - the legal entity reorganization of our companies so that they are all under a single parent entity, RCPI;
  - the execution of the RGHI TSA and the Rank TSA;
  - the execution of plant and asset transfer agreements (and related support agreements), manufacturing and supply agreements and certain other agreements to be entered into with RGHL Group that document and/or amend ongoing commercial arrangements that we have with RGHL Group;
  - the reallocation to an entity within RGHL Group of our portion of outstanding borrowings under the RGHL Group Credit Agreement and our subsequent legal release from the RGHL Group Credit Agreement and the legal release from the guarantees of all the senior notes issued by entities of RGHL Group;
  - the repurchase, for cash, of the U.S. trade receivables that we previously sold through RGHL Group's securitization facility that are outstanding as of the time of the repurchase of such trade receivables;
  - the reclassification of RGHL Group's historical net investment in us to additional paid-in capital and the establishment of share capital consisting of shares of common stock;
  - the consummation of the Stock Split;
  - the entry into the New Credit Facilities and the incurrence of debt under the New Term Loan Facility and the IPO Settlement Facility;
  - the repayment of certain related party borrowings owing to RGHL Group and the capitalization, as additional paid-in capital without the issuance of any additional shares, of the remaining balance of the related party borrowings owing to RGHL Group;
  - the reorganization of our equity holdings such that RGHL Group will transfer its interests in us to PFL and, as such, ownership of our common stock will be held outside of the group of entities that will represent RGHL Group after this offering;
  - the sale by us of 47,170,000 shares of common stock in this offering, at an assumed initial public offering price of $26.50 per share, the midpoint of the range set forth on the cover page of this prospectus, representing the receipt of $1,190 million in net proceeds after deducting the underwriting discount and the estimated offering expenses payable by us, as well as the application of such net proceeds as described in "Use of Proceeds";
  - the issuance of the IPO Grants and payment of certain one-time cash settled transaction bonuses; and
  - the initial funding of a new defined benefit pension plan.

The pro forma information set forth in the table below is illustrative only and will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing. This table should be read in conjunction with "Use of Proceeds," "Selected Historical Combined Financial Data," "Unaudited Pro Forma Combined Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our annual and interim combined financial statements and notes thereto included elsewhere in this prospectus.

	September 30, 2019 (In millions except share and per share data)	
	Actual	Pro forma
Cash and cash equivalents	$ 15	$ 8
Debt, including current and long-term:		
RGHL Group Credit Agreement—U.S. term loan(1)	$2,016	$ —
Related party borrowings(2)	2,148	—
New Credit Facilities(3)	—	2,438
Total debt	$4,164	$2,438
Equity:		
Common stock, $0.001 par value per share, 2,000,000,000 shares authorized, 202,625,000 shares outstanding on a pro forma basis	—	—
Additional paid-in capital	—	1,238
Net Parent deficit	(807)	—
Accumulated other comprehensive income	9	9
Retained earnings (deficit)	—	(7)
Total stockholders' (deficit) equity(4)	$ (798)	$1,240
Total capitalization	$3,366	$3,678

(1) Our portion of the RGHL Group Credit Agreement consists of a U.S. term loan of $2,021 million of principal amount, net of deferred financing transaction costs and original issue discounts of $5 million.

(2) Related party borrowings consist of $2,148 million of principal amount.

(3) New Credit Facilities consist of a $2,475 million New Term Loan Facility and a $250 million New Revolving Facility (which New Revolving Facility is expected to be undrawn upon the closing of this offering), net of $39 million of deferred financing transaction costs and assumed original issue discount (of which $37 million is related to the New Term Loan Facility and is reflected as a reduction in long-term debt and $2 million is related to the New Revolving Facility and is reflected in other assets).

(4) As described in "Use of Proceeds," we intend to use the net proceeds from this offering to repay amounts owed under the IPO Settlement Facility incurred as part of the Corporate Reorganization. We intend to use the net proceeds of the New Term Loan Facility to settle certain related party borrowings, including amounts arising as part of the Corporate Reorganization prior to the closing of this offering. Related party borrowings owed to RGHL Group will be settled as part of the Corporate Reorganization prior to this offering. Excluding the impact of underwriting discounts and commissions payable by us, (i) any increase or decrease in the assumed initial public offering price, and (ii) any increase or decrease in the number of shares of our common stock offered by us, is not expected to materially impact our pro forma cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization. The impact of any change described in clause (i) or (ii) above will be offset as a result of the capitalization, as additional paid-in capital without the issuance of any additional shares, of any related party borrowings we have with RGHL Group.

DILUTION

If you invest in shares of our common stock, your investment will be immediately diluted to the extent of the difference between the initial public offering price per share of common stock and the pro forma net tangible book value per share of common stock after this offering. Dilution results from the fact that the per share offering price of the shares of common stock is substantially in excess of the pro forma net tangible book value (deficit) per share after this offering.

Our net tangible book value (deficit) as of September 30, 2019 was $(2,953) million or $(18.99) per share of common stock after giving pro forma effect to the Corporate Reorganization. Net tangible book value (deficit) represents total tangible assets less total liabilities. Tangible assets represent total assets excluding goodwill and other intangible assets. Net tangible book value (deficit) per share represents net tangible book value (deficit) divided by the aggregate number of shares of common stock outstanding immediately prior to this offering (after giving pro forma effect to the Corporate Reorganization).

After giving further effect to the sale by us of the shares of our common stock in this offering, at an assumed initial public offering price of $26.50 per share, the midpoint of the range set forth on the cover page of this prospectus, and the receipt and application of the net proceeds, our pro forma net tangible book value (deficit) as of September 30, 2019 would have been $(1,770) million or $(8.73) per share. This represents an immediate increase in pro forma net tangible book value (deficit) to the existing stockholder of $10.26 per share and an immediate dilution to new investors of $(35.23) per share. Dilution per share represents the difference between the price per share to be paid by new investors for the shares of our common stock sold in this offering and the pro forma net tangible book value (deficit) per share immediately after this offering. The following table illustrates this per share dilution:

Assumed initial public offering price	$ 26.50
Pro forma net tangible book value (deficit) per share as of September 30, 2019 (after giving effect to the Corporate Reorganization)	$(18.99)
Increase in pro forma net tangible book value (deficit) per share attributable to the existing stockholder	10.26
Pro forma net tangible book value (deficit) per share after offering	(8.73)
Dilution per share to new investors	$ 35.23

The following table sets forth, on a pro forma basis, as of September 30, 2019, the number of shares of our common stock purchased from us, the total consideration paid, or to be paid, and the average price per share paid, or to be paid, by the existing stockholder and by the new investors, at an assumed initial public offering price of $26.50 per share, the midpoint of the range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and offering expenses payable by us:

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholder	155,455,000	77%	$ 57,125,000	4%	$ 0.37
New investors	47,170,000	23%	1,250,005,000	96%	26.50
Total	202,625,000	100%	$1,307,130,000	100%	$ 6.45

The foregoing tables assume no exercise of the underwriters' option to purchase additional shares of common stock.

SELECTED HISTORICAL COMBINED FINANCIAL DATA

The following table presents our selected historical combined financial data. As detailed in our annual and interim combined financial statements included elsewhere in this prospectus, prior to this offering, our operations are not structured under a single consolidating parent entity.

The combined statement of income data and summary cash flow data for each of the years ended December 31, 2018, 2017, and 2016, and the combined balance sheet data as of December 31, 2018 and 2017, are derived from our annual combined financial statements included elsewhere in this prospectus. The unaudited combined statement of income data and summary cash flow data for the years ended December 31, 2015 and 2014, and the unaudited combined balance sheet data as of December 31, 2016, 2015, and 2014, are derived from our financial records, which were derived from the financial records of RGHL Group, and are not included in this prospectus. The unaudited combined financial data as of December 31, 2016, 2015 and 2014 and for the years ended December 31, 2015 and 2014 were prepared on the same basis as our annual combined financial statements.

The combined statement of income data and summary cash flow data for the nine months ended September 30, 2019 and 2018, and the combined balance sheet data as of September 30, 2019, have been derived from our interim condensed combined financial statements included elsewhere in this prospectus. The selected combined balance sheet data as of September 30, 2018 has been derived from our financial records, which were derived from the financial records of RGHL Group, and are not included in this prospectus.

The interim condensed combined financial statements as of September 30, 2019 and for the nine months ended September 30, 2019 and 2018 were prepared on the same basis as our annual combined financial statements. In our opinion, such financial statements include all normal and recurring adjustments considered necessary for a fair statement of the financial information set forth in those statements.

Our historical combined financial statements have been prepared on a stand-alone basis in accordance with GAAP and are derived from RGHL Group's consolidated financial statements and accounting records using the historical results of operations and assets and liabilities attributed to our operations, and include allocations of expenses from RGHL Group. We believe these allocations were made on a reasonable basis. Our historical results are not necessarily indicative of our results in any future period. You should read the following selected historical combined financial data together with our combined annual and interim financial statements and the related notes included elsewhere in this prospectus and the "Capitalization," "Unaudited Pro Forma Combined Financial Data," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of this prospectus.

	Nine months ended September 30,		Year ended December 31,				
	2019	2018	2018	2017	2016	2015	2014
				(In millions)			
Statement of Income Data:							
Net revenues(1),(3)	$ 2,083	$ 2,113	$ 2,981	$ 2,809	$ 2,792	$ 2,798	$ 2,719
Related party net revenues(2),(3)	114	122	161	148	143	170	159
Total net revenues(3)	2,197	2,235	3,142	2,957	2,935	2,968	2,878
Cost of sales(2)	(1,580)	(1,669)	(2,310)	(2,095)	(2,048)	(2,193)	(2,241)
Gross profit	617	566	832	862	887	775	637
Selling, general and administrative expenses(2),(4)	(231)	(218)	(288)	(294)	(325)	(268)	(244)
Other expense, net(4)	(34)	(20)	(31)	(28)	(28)	(33)	(28)
Income from operations	352	328	513	540	534	474	365
Non-operating income (expense), net	1	—	—	—	(10)	(2)	(1)
Interest expense, net(5),(6)	(174)	(212)	(280)	(322)	(391)	(363)	(349)
Income before income taxes	179	116	233	218	133	109	15
Income tax (expense) benefit	(44)	(24)	(57)	84	(54)	(41)	(6)
Net income	$ 135	$ 92	$ 176	$ 302	$ 79	$ 68	$ 9
Adjusted EBITDA (non-GAAP)(7)	$ 441	$ 423	$ 647	$ 656	$ 647	$ 583	$ 523
Balance Sheet Data (as of end of period):							
Accounts receivable, net	$ 15		$ 16	$ 9	$ 52	$ 55	$ 64
Inventories	478		429	371	298	289	339
Related party receivables—non-current(6)	—		2,401	1,929	1,784	1,243	792
Total assets(8)	4,130		6,421	5,911	5,738	5,236	4,901
Accounts payable	119		136	121	124	119	114
Long-term debt, including current portion(5)	2,016		2,030	2,049	2,067	891	915
Related party borrowings, including current portion(6)	2,148		3,950	3,927	3,957	4,913	4,683
Total equity (deficit)	(798)		(1,027)	(1,298)	(1,517)	(1,640)	(1,765)
Cash Flow Data:(9)							
Net cash provided by (used in):							
Operating activities	$ 158	$ 347	$ 530	$ 395	$ 393	$ 280	$ (43)
Investing activities	(93)	(235)	(554)	(364)	(584)	(481)	(280)
Financing activities	(73)	(129)	24	(40)	180	232	296

(1) Our net revenues are derived primarily from sales of our cooking, waste & storage and tableware products to third-party customers, primarily in the United States. Revenues are reported net of estimated sales incentives.

(2) Related party net revenues represent the sale of our finished products to RGHL Group. Those transactions have historically taken place at an agreed upon price, which may not be equivalent to the terms that would prevail in an arm's length transaction. In connection with this offering, we have entered, or will enter, into agreements that document and/or amend certain ongoing commercial arrangements we have with certain RGHL Group subsidiaries. These manufacturing and supply agreements will become effective no later than the closing of this offering. Following the closing of this offering, these agreements will impact our related party net revenues, our cost of sales and our selling, general and administrative expenses. For further information, see "Certain Relationships and Related Party Transactions," "Unaudited Pro Forma Combined Financial Data" and Note 14—Related Party Transactions of our annual combined financial statements included elsewhere in this prospectus.

Following the closing of this offering, the RGHI TSA and the Rank TSA will take effect to cover certain corporate services currently provided by RGHL Group.

Due to these and other changes we anticipate in connection with this offering, the historical combined financial data included in this prospectus may not necessarily reflect our financial position, results of operations and cash flows in the future or what our financial position, results of operations and cash flows would have been had we been a stand-alone public company during the periods presented. See the notes to our unaudited pro forma combined financial data.

(3) On January 1, 2018, we adopted ASC 606, using the modified retrospective method for all contracts not completed as of the date of adoption, resulting in a $5 million adjustment to Net Parent deficit. There was no other material financial impact from adopting the new revenue recognition standard. See Note 2—Summary of Significant Accounting Policies of our annual combined financial statements included elsewhere in this prospectus for an explanation of the impact of the adoption of ASC 606. Results as of and for the year ended December 31, 2018 and periods thereafter are presented under ASC 606, while prior period amounts are not adjusted and continue to be reported under ASC 605, *Revenue Recognition*, the accounting standard in effect for those periods presented.

(4) RGHL Group currently provides certain corporate services to us, and costs associated with these functions have been allocated to us. Our historical combined financial statements included elsewhere in this prospectus reflect these costs primarily in selling, general and administrative expenses and other expense, net. These allocations include costs related to corporate services such as executive management, finance, legal, tax, information technology and a portion of a related party management fee incurred by RGHL Group. The total amount of these allocations from RGHL Group was $40 million, $37 million, $39 million, $42 million and $39 million in the years ended December 31, 2018, 2017, 2016, 2015 and 2014, respectively, and $29 million for each of the nine months ended September 30, 2019 and 2018. See Note 1—Description of Business and Basis of Presentation in our annual combined financial statements included elsewhere in this prospectus for additional information.

(5) During the periods presented above, we had between $734 million and $2,084 million of borrowings under the RGHL Group Credit Agreement. Interest expense has been recognized based on the historical interest rates of the RGHL Group Credit Agreement and totaled $97 million, $85 million, $51 million, $40 million and $37 million in the years ended December 31, 2018, 2017, 2016, 2015 and 2014, respectively, and $78 million and $71 million in the nine months ended September 30, 2019 and 2018, respectively. Deferred financing transaction costs and original issue discounts have been recognized in the same proportion as debt and are recorded as a reduction to the outstanding borrowings included in our combined balance sheets. As part of the Corporate Reorganization prior to the closing of this offering, our borrowings under the RGHL Group Credit Agreement will be reallocated to RGHL Group and we will be legally released from the RGHL Group Credit Agreement and from the guarantees of all the senior notes issued by entities of RGHL Group. See "Unaudited Pro Forma Combined Financial Data" for additional information.

(6) Historically, we have reported significant interest bearing related party receivables and interest bearing long-term related party borrowings. These balances arose as part of wider RGHL Group cash management activities. In June 2019, the outstanding related party receivables were used to reduce the balances outstanding under various related party borrowings and accrued interest payable. As part of the Corporate

Reorganization prior to the closing of this offering, any remaining balances will be settled. See "Unaudited Pro Forma Combined Financial Data" for additional information.

(7) We define "Adjusted EBITDA" as our net income calculated in accordance with GAAP, plus the sum of income tax expense, net interest expense, depreciation and amortization and further adjusted to exclude unrealized gains and losses on derivatives, costs associated with rationalizing operations and administrative functions, factoring discounts, defined benefit plan settlement losses, amortization of actuarial gains, operational process engineering related consultancy costs, the allocated related party management fee and transaction-related costs.

We have included Adjusted EBITDA in this prospectus because it is a key measure used by our management team to evaluate our operating performance, generate future operating plans and make strategic decisions. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management team and board of directors.

The following table presents a reconciliation of net income, the most directly comparable GAAP financial measure, to Adjusted EBITDA for each of the periods indicated:

	Nine months ended September 30,		Year ended December 31,				
	2019	2018	2018	2017	2016	2015	2014
	(In millions)						
Net income (GAAP)	**$ 135**	**$ 92**	**$176**	**$302**	**$ 79**	**$ 68**	**$ 9**
Income tax expense (benefit)	44	24	57	(84)	54	41	6
Interest expense, net	174	212	280	322	391	363	349
Depreciation and amortization	63	66	87	90	97	100	102
Factoring discount(a)	15	14	22	19	15	17	18
Allocated related party management fee(b)	7	6	10	10	13	17	9
Transaction-related costs(c)	12	—	—	—	—	—	—
Unrealized (gains) losses on derivatives(d)	(9)	8	14	(4)	(8)	(21)	25
Business rationalization costs(e)	1	4	4	2	1	—	3
Defined benefit plan settlement loss(f)	—	—	—	—	9	—	—
Other(g)	(1)	(3)	(3)	(1)	(4)	(2)	2
Adjusted EBITDA (Non-GAAP)	**$ 441**	**$ 423**	**$647**	**$656**	**$647**	**$583**	**$523**

a) Reflects the loss on sale that we incur when we sell our U.S. trade receivables through RGHL Group's securitization facility. For further information, refer to Note 9—Other Expense, Net in our annual combined financial statements and Note 11—Other Expense, Net in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus. In conjunction with this offering, we will cease to participate in this facility.

b) Reflects our allocation, from RGHL Group, of a management fee that is charged by Rank to RGHL Group. We will not be required to pay any portion of this management fee after closing of this offering. For further information, refer to Note 9—Other Expense, Net in our annual combined financial statements and Note 11—Other Expense, Net in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus.

c) Reflects allocated costs during the nine months ended September 30, 2019 related to the IPO process that cannot be offset against the expected future IPO proceeds, as well as costs related to our preparations to operate as a stand-alone public company.

d) Reflects the mark-to-market movements in our commodity derivatives. For further information, refer to Note 7—Financial Instruments in our annual combined financial statements and Note 8—Financial Instruments in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus.

e) Reflects primarily employee termination costs associated with rationalizing our operations in Canada.

f) Reflects the settlement loss recognized on merging our defined benefit plan into a plan sponsored by RGHL Group. For further information, refer to Note 8—Benefit Plans in our annual combined financial statements included elsewhere in this prospectus.

g) Includes the amortization of actuarial gains related to our postretirement benefit plan. For further information, refer to Note 8—Benefit Plans in our annual combined financial statements and Note 9—Benefit Plans in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus.

(8) On January 1, 2019, we adopted ASC 842, using the modified retrospective method without the recasting of comparative periods' financial information, as permitted by the transition guidance. Results as of and for the nine months ended September 30, 2019 are presented under ASC 842, while prior period amounts are not adjusted and continue to be reported under ASC 840, *Leases*, the accounting standard in effect for those periods presented.

(9) We have historically operated as part of RGHL Group and not as a stand-alone public company. RGHL Group centrally managed substantially all of our financial resources for all of the periods presented. Accordingly, our historical operating, investing and financing cash flow data each includes significant related party transactions which may not have arisen had we been a stand-alone public company.

Our net cash provided by operating activities includes the impact of changes in related party receivables and payables that are not representative of the timing of settlement of trade balances on terms consistent with third party arrangements entered into in the normal course of business. Our net cash provided by operating activities also includes historical related party interest paid, net, related to arrangements with RGHL Group that will cease on or prior to the closing of this offering. Furthermore, as detailed in Note 2—Summary of Significant Accounting Policies of our annual combined financial statements included elsewhere in this prospectus, our U.S. operations were included in a consolidated U.S. federal tax return and the settlement of our U.S. federal current tax is recognized directly as a movement in Net Parent deficit. As a result, our net cash provided by operating activities does not include any cash outflow associated with the payment of U.S. federal tax.

The following table illustrates the impact of the timing of settlement of related party receivables and payables, as well as the settlement of our U.S. federal current tax directly through Net Parent deficit, on our net cash provided by operating activities.

	Nine months ended September 30,		Year ended December 31,		
	2019	2018	2018	2017	2016
	(In millions)				
Change in related party accounts payable	$ (72)	$ 163	$ 22	$ (7)	$ 64
Change in related party accounts receivable (excluding related party interest receivable)	(28)	(32)	(3)	(10)	—
Change in income tax payable	50	42	71	67	54
Net (decrease) increase in net cash provided by operating activities due to the above items	$ (50)	$ 173	$ 90	$ 50	$ 118

The following table illustrates the impact of historical related party interest expense paid, net of related party interest income received on our net cash provided by operating activities.

	Nine months ended September 30,		Year ended December 31,		
	2019	2018	2018	2017	2016
	(In millions)				
Related party interest received (paid), net	$ (2)	$ 16	$ 65	$ (56)	$ (207)

For further information regarding related party transactions reported within our cash flows from investing and financing activities, refer to our combined statements of cash flows in our annual combined financial statements and interim condensed combined financial statements, each of which is included elsewhere in this prospectus.

UNAUDITED PRO FORMA COMBINED FINANCIAL DATA

The following unaudited pro forma combined financial data of RCP consist of unaudited pro forma combined statements of income for the nine months ended September 30, 2019 and for the year ended December 31, 2018, and an unaudited pro forma combined balance sheet as of September 30, 2019. The unaudited pro forma combined financial statements and the related notes should be read in conjunction with "Use of Proceeds," "Capitalization," "Selected Historical Combined Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Certain Relationships and Related Party Transactions," and our audited and unaudited combined financial statements and the related notes included elsewhere in this prospectus.

The unaudited pro forma combined statements of income give effect to the Pro Forma Transactions (as defined below) as if the Pro Forma Transactions had occurred or had become effective as of January 1, 2018. The unaudited pro forma combined balance sheet gives effect to the Pro Forma Transactions as if the Pro Forma Transactions had occurred or had become effective as of September 30, 2019.

The pro forma adjustments are based upon available information and certain assumptions that we believe are reasonable. The unaudited pro forma combined financial statements are for illustrative and informational purposes only and do not purport to represent what our financial position or results of operations would have been if we had operated as a stand-alone public company during the periods presented or if the transactions described below had actually occurred as of the dates indicated, nor does it project our financial position at any future date or our results of operations or cash flows for any future period.

The unaudited pro forma statements of income and balance sheet have been derived from the historical annual combined and interim condensed combined financial statements included elsewhere in this prospectus. Our unaudited pro forma combined financial statements have been prepared to reflect adjustments to our historical combined financial statements that are: (1) directly attributable to the Pro Forma Transactions, (2) factually supportable and (3) with respect to the unaudited pro forma combined statements of income, expected to have a continuing impact on our results. The unaudited pro forma combined financial statements do not include non-recurring items, including, but not limited to, costs we expect to incur in connection with our separation from RGHL Group.

The unaudited pro forma combined financial statements give effect to the following pro forma transactions ("Pro Forma Transactions"):

- the legal entity reorganization of our companies so that they are all under a single parent entity, RCPI;
- the execution of the RGHI TSA and the Rank TSA;
- the execution of plant and asset transfer agreements (and related support agreements), manufacturing and supply agreements and certain other agreements to be entered into with RGHL Group that document and/or amend ongoing commercial arrangements that we have with RGHL Group;
- the reallocation to an entity within RGHL Group of our portion of outstanding borrowings under the RGHL Group Credit Agreement and our subsequent legal release from the RGHL Group Credit Agreement and the legal release from the guarantees of all the senior notes issued by entities of RGHL Group;
- the repurchase, for cash, of the U.S. trade receivables that we previously sold through RGHL Group's securitization facility that are outstanding as of the time of the repurchase of such trade receivables;
- the reclassification of RGHL Group's historical net investment in us to additional paid-in capital and the establishment of share capital consisting of shares of common stock;
- the consummation of the Stock Split;
- the entry into the New Credit Facilities and the incurrence of debt under the New Term Loan Facility and the IPO Settlement Facility;

- the repayment of certain related party borrowings owing to RGHL Group and the capitalization, as additional paid-in capital without the issuance of any additional shares, of the remaining balance of the related party borrowings owing to RGHL Group;
- the reorganization of our equity holdings such that RGHL Group will transfer its interests in us to PFL and, as such, ownership of our common stock will be held outside the group of entities that will represent RGHL Group after this offering;
- the sale by us of shares of common stock in this offering, at an assumed initial public offering price of $26.50 per share, the midpoint of the range set forth on the cover page of this prospectus, representing the receipt of $1,190 million in net proceeds after deducting the underwriting discount and the estimated offering expenses payable by us, as well as the application of such net proceeds as described in "Use of Proceeds";
- the issuance of the IPO Grants and payment of certain one-time cash settled transaction bonuses; and
- the initial funding of a new defined benefit pension plan.

RGHL Group currently provides certain corporate services to us, and costs associated with these functions have been allocated to us. These allocations include costs related to corporate services, such as executive management, information technology, legal, finance and accounting, human resources, risk management, tax, treasury and other services. Following the closing of this offering, we expect RGHL Group and Rank to continue to provide many of these services on a fee basis under the RGHI TSA and the Rank TSA described in "Certain Relationships and Related Party Transactions—Transactions to be Entered into in Connection with this Offering."

Upon the closing of this offering, we will assume responsibility for all of our stand-alone public company costs, including the costs of certain corporate services currently provided by RGHL Group. We estimate that our annual selling, general and administrative expenses for these costs will be approximately $42 million (representing approximately $12 million of annual costs incremental to the 2018 allocated costs referred to above). In addition, as we transition away from the corporate services currently provided by RGHL Group, we believe that we may incur $45 million to $50 million of non-recurring transitional costs during fiscal year 2019 to fiscal year 2022, with the majority of these costs expected to be incurred during fiscal year 2020.

In addition, in connection with this offering, we will establish the Incentive Plan for purposes of granting stock-based compensation awards to certain of our senior management, to our non-executive directors and to certain employees, to incentivize their performance and align their interests with ours. The maximum number of shares of common stock initially available for issuance under the equity incentive awards granted pursuant to the plan is expected to equal 10,485,025 shares. Upon the granting of stock-based compensation awards, and the vesting of such awards, we will recognize stock-based compensation expense. Historically, we have not granted any stock-based compensation awards. No adjustment has been made for these future equity incentive plan awards because the timing and amount of the awards to be granted is uncertain.

The unaudited pro forma combined statements of income also exclude certain non-recurring items that we expect to incur in connection with the Corporate Reorganization and this offering, including costs related to legal, accounting and other professional fees. We have incurred costs totaling $12 million for transaction-related services during the nine months ended September 30, 2019 and we estimate an additional $18 million to $19 million will be incurred in 2019. We expect all of these costs to be expensed, as incurred.

Due to the scope and complexity of these activities, the amount of these estimated costs could increase or decrease materially and the timing of when they are incurred could change.

The above incremental stand-alone public company costs and non-recurring transition costs are not reflected in our unaudited pro forma combined financial statements as such amounts are estimates and not factually supportable.

Unaudited Pro Forma Combined
Balance Sheet As of September 30, 2019
(In Millions, Except Share and Per Share Data)

	Historical Combined	Pro Forma Adjustments	Pro Forma Consolidated
Assets			
Cash and cash equivalents	$ 15	$ (7)(d)	$ 8
Accounts receivable, net	15	271(e)	286
Other receivables	4	—	4
Related party receivables	44	(40)(e)	4
Inventories	478	—	478
Other current assets	8	(2)(g)	6
Total current assets	**564**	**222**	**786**
Property, plant and equipment, net	513	—	513
Operating lease right-of-use assets, net	35	—	35
Goodwill	1,879	—	1,879
Intangible assets, net	1,131	—	1,131
Deferred income taxes	1	—	1
Other assets	7	2(c)	9
Total assets	**$ 4,130**	**$ 224**	**$ 4,354**
Liabilities and Stockholders' Equity			
Accounts payable	$ 119	$ —	$ 119
Related party payables	93	(51)(e)	42
Related party accrued interest payable	42	(42)(b)	—
Current portion of long-term debt	21	4(a),(c)	25
Current portion of related party borrowings	1	(1)(b)	—
Income taxes payable	13	—	13
Accrued and other current liabilities	120	5(e)	125
Total current liabilities	**409**	**(85)**	**324**
Long-term debt	1,995	418(a),(c)	2,413
Long-term related party borrowings	2,147	(2,147)(b)	—
Long-term operating lease liabilities	30	—	30
Deferred income taxes	288	—	288
Long-term postretirement benefit obligation	44	—	44
Other liabilities	15	—	15
Total liabilities	**$ 4,928**	**$ (1,814)**	**$ 3,114**
Net Parent (deficit)	(807)	807(g)	—
Accumulated other comprehensive income	9	—	9
Stockholders' Equity:			
Common stock, 2,000,000,000 shares authorized, $0.001 par value; 202,625,000 shares issued and outstanding on a pro forma basis	—	—	—
Additional paid-in capital	—	1,238(g)	1,238
Retained earnings (deficit)	—	(7)(g)	(7)
Total equity (deficit)	**(798)**	**2,038**	**1,240**
Total liabilities and equity (deficit)	**$ 4,130**	**$ 224**	**$ 4,354**

See accompanying Notes to Unaudited Pro Forma Combined Financial Data.

Unaudited Pro Forma Combined Statement of Income For the Nine Months Ended September 30, 2019 (In Millions, Except Share and Per Share Data)

	Historical Combined	Pro Forma Adjustments	Pro Forma Consolidated
Net revenues	$ 2,083	$ —	$ 2,083
Related party net revenues	114	—	114
Total net revenues	**2,197**	**—**	**2,197**
Cost of sales	(1,580)	—	(1,580)
Gross profit	**617**	**—**	**617**
Selling, general and administrative expenses	(231)	(1)(e)	(232)
Other expense, net	(34)	22(e)	(12)
Income from operations	**352**	**21**	373
Non-operating income (expense), net	1	—	1
Interest expense, net	(174)	99(c)	(75)
Income before income taxes	**179**	**120**	**299**
Income tax expense	(44)	(28)(f)	(72)
Net income	**$ 135**	**$ 92**	**$ 227**
Earnings per Share, Basic and Diluted:			
Basic			$ 1.12
Diluted			$ 1.12
Weighted Average Shares Outstanding:			
Basic			202,679,287
Diluted			202,749,084

Unaudited Pro Forma Combined Statement of Income For the Year Ended December 31, 2018 (In Millions, Except Share and Per Share Data)

	Historical Combined	Pro Forma Adjustments	Pro Forma Consolidated
Net revenues	$ 2,981	$ —	$ 2,981
Related party net revenues	161	—	161
Total net revenues	**3,142**	**—**	**3,142**
Cost of sales	(2,310)	—	(2,310)
Gross profit	**832**	**—**	**832**
Selling, general and administrative expenses	(288)	(3)(e)	(291)
Other income (expense), net	(31)	32(e)	1
Income from operations	**513**	**29**	**542**
Non-operating expense, net	—	—	—
Interest expense, net	(280)	179(c)	(101)
Income before income taxes	**233**	**208**	**441**
Income tax (expense) benefit	(57)	(47)(f)	(104)
Net income	**$ 176**	**$ 161**	**$ 337**
Earnings per Share, Basic and Diluted:			
Basic			$ 1.66
Diluted			$ 1.66
Weighted Average Shares Outstanding:			
Basic			202,625,000
Diluted			202,680,062

See accompanying Notes to Unaudited Pro Forma Combined Financial Data.

Notes to Unaudited Pro Forma Combined Financial Data

(a) Existing External Indebtedness

An adjustment to the unaudited pro forma combined balance sheet as of September 30, 2019 has been made to reflect (i) the reallocation of $2,016 million of long-term debt, net of $5 million of deferred financing transaction costs and original issue discounts, that is outstanding under the RGHL Group Credit Agreement, and our subsequent release as a borrower and guarantor of this facility, in exchange for an increase in our related party borrowings, and (ii) the subsequent settlement of the related party borrowings. Refer to (c) for further details.

An adjustment to the unaudited pro forma combined statements of income for the nine months ended September 30, 2019 and the year ended December 31, 2018 has been made to eliminate the interest expense and amortization of deferred financing transaction costs related to our existing external indebtedness, as if it had been reallocated on January 1, 2018. Refer to (c) for further details.

(b) Existing Related Party Borrowings and Related Party Accrued Interest Payable

An adjustment to the unaudited pro forma combined balance sheet as of September 30, 2019 has been made to reflect the settlement of $2,148 million of related party borrowings and $42 million of related party accrued interest payable to RGHL Group as part of the Corporate Reorganization.

An adjustment to the unaudited pro forma combined statements of income for the nine months ended September 30, 2019 and the year ended December 31, 2018 has been made to eliminate the interest expense, net related to our related party borrowings and receivables, as if they had been settled on January 1, 2018. Refer to (c) for further details.

The following table presents the pro forma adjustments to related party borrowings:

	(in millions)
Increase in related party borrowings as a result of the reallocation of indebtedness outstanding under the RGHL Group Credit Agreement, as described in (a)	$ 2,016
Increase in related party borrowings to fund the purchase of U.S. trade receivables previously sold through RGHL Group's securitization facility, as described in (e)	271
Increase in related party borrowings in conjunction with plant and asset transfers, as described in (e)	113
Increase in related party borrowings in conjunction with the legal entity reorganization, as described in (g)	15
Increase in related party borrowings from the offset with related party trade receivables and payables, as described in (e)	11
Increase in related party borrowings from reimbursement to RGHL Group of transaction-related amounts incurred on our behalf, as described in (g)	14
Decrease in related party borrowings from the use of cash, as described in (d)	(3,590)
Decrease in related party borrowings from the capitalization of the remaining balance, as additional paid-in capital without the issuance of any additional shares, as described in (g)	(998)
Net adjustment to related party borrowings, comprising $1 million current and $2,147 million non-current	$ (2,148)

(c) New Credit Facilities

Prior to the closing of this offering, we will enter into the New Credit Facilities and incur an estimated $39 million of deferred financing transaction costs and assumed original issue discount. Of this amount, $37 million is related to the New Term Loan Facility and is reflected as a reduction in long-term debt, and

$2 million is related to the New Revolving Facility and is reflected in other assets. Prior to the closing of this offering we will incur $2,475 million of indebtedness under the New Term Loan Facility resulting in annual interest expense of $101 million, based on an assumed constant interest rate of 3.84% per annum for the period, including annual amortization of $6 million of deferred financing transaction costs and assumed original issue discount. The assumed constant interest rate is based on the three-month LIBO rate in effect on January 15, 2020, plus an assumed applicable margin of 2.00%.

The actual interest rate on the New Term Loan Facility will be subject to market conditions and may change materially from the assumed rate described above, which would result in changes in our annual interest expense. Depending upon the nature of the changes, the impact on the pro forma financial information presented herein could be material. For example, a change of 12.5 basis points to the assumed annual interest rate of the New Term Loan Facility would change pro forma interest expense by $3 million annually, holding the principal balance of the New Term Loan Facility constant.

We expect the New Revolving Facility to be undrawn upon closing of this offering. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Sources of Liquidity” for a more detailed description of the New Credit Facilities. In addition, the IPO Settlement Facility will be funded immediately prior to the closing of this offering and will be repaid immediately following the closing of this offering. See “Use of Proceeds.”

The following table presents the pro forma adjustments to long-term debt:

	(In millions)
Reallocation of outstanding debt incurred under the RGHL Group Credit Agreement, comprising the current portion of $21 million and the non-current portion of $1,995 million	$ (2,016)
Incurrence of debt under the New Term Loan Facility, presented as a current portion of $25 million and a non-current portion of $2,450 million	2,475
Incurrence of debt under the IPO Settlement Facility	1,197
Repayment of the IPO Settlement Facility	(1,197)
Deferred financing transaction costs and assumed original issue discount associated with the New Credit Facilities	(37)
Net adjustment to long-term debt, presented as the current portion of $4 million and the non-current portion of $418 million	$ 422

The following table presents the pro forma adjustments to interest expense, net:

	Nine months ended September 30, 2019	Year ended December 31, 2018
	(In millions)	
New Term Loan Facility	$ (71)	$ (95)
RGHL Group Credit Agreement—U.S. Term Loan	78	97
Interest expense, related party borrowings	128	233
Interest income, related party receivables	(33)	(52)
Amortization of deferred financing transaction costs, net of the elimination of historical amortization of $1 million and $2 million	(3)	(4)
Net adjustment to interest expense, net	$ 99	$ 179

(d) Cash and Cash Equivalents

The following table presents the pro forma adjustments to cash and cash equivalents:

	(In millions)
Cash received from additional related party borrowings to repurchase U.S. trade receivables sold through RGHL Group's securitization facility	$ 271
Cash received from proceeds of the New Term Loan Facility	2,475
Cash received from proceeds of the IPO Settlement Facility	1,197
Cash paid for the New Credit Facilities financing transaction costs and original issue discount	(39)
Cash paid to settle related party borrowings and related party accrued interest payable	(3,632)
Cash paid to repurchase U.S. trade receivables sold through RGHL Group's securitization facility	(271)
Cash received from the issuance of 47,170,000 shares	1,250
Cash paid for costs associated with issuance of shares	(58)
Cash paid to settle the IPO Settlement Facility	(1,197)
Cash paid to fund new defined benefit pension plan	(2)
Cash paid for IPO Settlement Facility fees, including interest	(1)
Net adjustment to cash and cash equivalents	$ (7)

(e) Operational Changes and Separation Adjustments

In connection with this offering, we have entered, or will enter, into agreements that document and/or amend ongoing commercial arrangements we have with RGHL Group and Rank. These agreements will become effective no later than the closing of this offering.

Supply, warehousing and freight agreements and related plant and asset transfers

We will enter into supply agreements with Pactiv to continue selling products to and buying products from Pactiv. These agreements will expire on December 31, 2024. We will also enter into a warehousing and freight services agreement with Pactiv to continue storing many of our finished goods in warehouses operated by Pactiv and for them to continue to provide us with certain freight services. The term of the warehousing services under the agreement will vary by location. The term of the freight services under the agreement is for approximately three years.

In conjunction with entering into new supply, warehousing and freight agreements with Pactiv, the ownership or lease of certain plants, warehouses, equipment (including manufacturing lines), information technology assets and inventory will be transferred to us from RGHL Group. These items are already reflected in our historical combined financial statements included elsewhere in this prospectus. An adjustment to the unaudited pro forma combined balance sheet as of September 30, 2019 has been made to reflect the increase in related party borrowings of $113 million to finance the transfer of these items, with a corresponding decrease in additional paid-in capital, as described in (b) and (g), respectively.

The net effects of the supply, warehousing and freight agreements and related plant and asset transfers are not material as compared to the amounts reflected in our historical combined financial statements and, accordingly, no adjustments have been made in the unaudited pro forma combined statements of income for the nine months ended September 30, 2019 and the year ended December 31, 2018.

Transition services agreements

In connection with this offering, we will enter into the RGHI TSA whereby RGHL Group will continue to provide certain administrative services to us, including information technology service; accounting, treasury,

financial reporting and transaction support; human resources; procurement; tax, legal and compliance related services and other corporate services for up to 24 months. These services will be consistent with administrative services provided to us by RGHL Group prior to this offering, and the charges will be at forecasted cost or current cost plus margin. In addition, under the RGHI TSA, we will provide certain services to RGHL Group, including human resources; compliance; and procurement consistent with services provided by us to RGHL Group prior to this offering, which will also be charged at current cost plus margin and provided for a period of up to 24 months, and at each other's request, certain tax, financial and other information will be provided to enable preparation of financial and tax reports of the respective parties and for other business purposes.

Also, in connection with this offering, we will enter into the Rank TSA whereby, upon our request, Rank will provide certain administrative services to us, including financial reporting, consulting and compliance services, insurance procurement and human resources support, legal and corporate secretarial support, and related services for up to 24 months, to be charged at an agreed hourly rate. In addition, we will provide, at Rank's request, certain historical tax and financial information to enable Rank to prepare certain of its tax and financial reports.

Our historical combined financial statements include amounts in relation to historical administrative services provided by RGHL Group to us. No adjustment is reflected in our unaudited pro forma combined financial statements in relation to services that may be provided under the RGHI TSA and Rank TSA, as such amounts will ultimately depend upon the actual assistance requested which is not factually supportable.

Removal of historical related party management fee

As part of RGHL Group, our historical combined statements of income include an allocation of RGHL Group's related party management fee. For further information refer to Note 9—Other Expense, Net of our annual combined financial statements included elsewhere in this prospectus. The allocation of this expense will cease in conjunction with this offering. An adjustment has been made to the unaudited pro forma combined statements of income to remove the allocated expense of $7 million and $10 million for the nine months ended September 30, 2019, and the year ended December 31, 2018, respectively.

Release from RGHL Group securitization facility

Historically, we have sold substantially all of our U.S. trade receivables through RGHL Group's securitization facility. This non-recourse factoring arrangement satisfied all of the conditions that result in the derecognition of our U.S. trade receivables. For further information refer to Note 2—Summary of Significant Accounting Policies of our annual combined financial statements included elsewhere in this prospectus. Prior to the closing of this offering, we will repurchase, for cash, the U.S. trade receivables that we previously sold through RGHL Group's securitization facility that are outstanding as of the time of the repurchase of such trade receivables and end our participation in this facility. The repurchase will be financed through additional related party borrowings from RGHL Group, which will be settled as described above at (b). After the closing of this offering, we will collect our trade receivables in the ordinary course of business.

An adjustment of $271 million has been made to the unaudited pro forma combined balance sheet as of September 30, 2019 to reinstate the trade receivables as if the repurchase had occurred as of that date.

An adjustment to the unaudited pro forma combined statements of income for the nine months ended September 30, 2019 and for the year ended December 31, 2018 has been made to eliminate the loss recognized on the sale of trade receivables as if participation in the RGHL Group securitization facility had ceased as of January 1, 2018. No adjustment has been made to the unaudited pro forma combined statements of income for the nine months ended September 30, 2019 and for the year ended December 31, 2018 to eliminate the historical servicing income earned on the collection of these trade receivables on behalf of the RGHL Group as such amounts were immaterial.

Restricted stock unit awards—IPO Grants

Adjustments to the unaudited pro forma combined balance sheet and the pro forma combined statements of income have been made related to the granting of restricted stock units to certain of our employees at the closing of this offering. The IPO Grants are classified as an equity settled stock based payment arrangement and will vest on a pro rata basis over a three-year period commencing from the closing date of this offering.

The adjustments to the unaudited pro forma combined statements of income reflect an increase in selling, general and administrative expenses of $1 million for the nine months ended September 30, 2019 and $3 million for the year ended December 31, 2018.

An adjustment of $1 million has been recognized in the unaudited pro forma combined balance sheet as of September 30, 2019 to increase additional paid-in capital and reduce retained earnings (deficit) to recognize a pro rata portion of the compensation expense based on service performed as of the date of this offering.

Cash transaction bonus

In conjunction with this offering, certain members of our management will be entitled to a one-time cash settled transaction bonus. Entitlement to the bonus is contingent upon the individual's ongoing employment at the time of payment. The aggregate $7 million bonus will be paid in two installments, 50% will be paid 30 days after the completion of this offering and 50% will be paid six months after the completion of this offering. The pro forma combined balance sheet includes an adjustment of $5 million to accrued and other current liabilities to recognize a pro rata portion of this liability based on service performed as of the date of this offering, with a corresponding reduction to retained earnings (deficit).

Initial funding of a new defined benefit pension plan

In conjunction with this offering, we will establish a new defined benefit plan for certain of our employees and assume the responsibility for certain defined benefit obligations with an unfunded value of $2 million. Shortly following this offering we will fund this plan. A pro forma adjustment has been recognized in the unaudited pro forma combined balance sheet to reduce cash and additional paid-in capital.

Settlement of certain related party trade receivables and related party payables

In conjunction with the Corporate Reorganization, we will settle a portion of our related party trade receivables and related party payables. Other related party trade receivables and payables will remain outstanding and will be settled in the normal course of business. A pro forma adjustment has been recognized in the unaudited pro forma combined balance sheet to reduce related party trade receivables by $40 million and reduce related party payables by $51 million, with a corresponding net increase of $11 million to related party borrowings.

As a result of the adjustments described above in (e), the following table presents the pro forma adjustments to other income (expense), net:

	Nine months ended September 30, 2019	Year ended December 31, 2018
	(in millions)	
Elimination of the loss recognized on the sale of trade receivables under the RGHL Group securitization facility	$ 15	$ 22
Elimination of the historical related party management fee	7	10
Net adjustment to other income (expense), net	$ 22	$ 32

(f) Resulting Tax Effects

Adjustments to the unaudited pro forma combined statements of income have been made to reflect the income tax expense for the items described in (a) through (e) above, calculated at the U.S. federal statutory rate of 21% and the blended state rate of 3.5%.

At the completion of this offering we will exit the RGHI U.S. federal tax consolidated group and become a separate taxable entity. At the time of our exit, we will assume the tax base and certain tax attributes of the RGHI tax consolidated group. These amounts may differ materially from the tax base and attributes that are reflected in our historical combined financial statements included elsewhere in this prospectus.

(g) Corporate Equity Structure

In conjunction with the Corporate Reorganization, we will acquire from RGHL Group the issued capital of certain non-U.S. entities that are part of RCP. This adjustment includes an increase in related party borrowings of $15 million with an offsetting reduction in additional paid-in capital. Refer to (b) for further details of the settlement of the related party borrowings.

In conjunction with this offering, we will reimburse RGHL Group for transaction-related amounts that it has incurred on our behalf. These amounts are reflected in our historical interim condensed combined financial statements included elsewhere in this prospectus, comprising $12 million of transaction-related costs recognized as an expense during the nine months ended September 30, 2019, and $2 million of deferred costs as of September 30, 2019, that will be offset against the proceeds from this offering. As of September 30, 2019, these costs were reflected in our historical interim condensed combined financial statements with a corresponding adjustment to Net Parent (deficit) as no decision had been made by RGHL Group regarding reimbursement. This adjustment increases related party borrowings by $14 million with a corresponding increase in Net Parent (deficit).

The proceeds from this offering reflects the issuance of 47,170,000 shares at $26.50 per share (being the midpoint of the range set forth on the cover page of this prospectus), net of $60 million of transaction costs, of which $2 million was incurred prior to September 30, 2019 and is included in other current assets in the historical combined balance sheet.

The following table presents the adjustments to our equity after giving effect to the Pro Forma Transactions:

	Net Parent (deficit)	Accumulated other comprehensive income	Common stock	Additional paid-in capital	Retained earnings (deficit)
			(in millions)		
Acquisition of the issued capital of certain non-U.S. entities	$ —	$ —	$ —	$ (15)	$ —
Reimbursement to RGHL Group of transaction-related amounts incurred on our behalf up to September 30, 2019	(14)	—	—	—	—
Legal entity reorganization	821	—	—	(821)	—
Capitalization of related party borrowings, as described in (b)	—	—	—	998	—
Plant and asset transfers, as described in (e)	—	—	—	(113)	—
IPO Settlement Facility fees, including interest, as described in (c)	—	—	—	—	(1)
Net proceeds from this offering	—	—	—	1,190	—
IPO Grants, as described in (e)	—	—	—	1	(1)
Cash transaction bonus, as described in (e)	—	—	—	—	(5)
Defined benefit pension liability, as described in (e)	—	—	—	(2)	—
Net adjustment	$ 807	$ —	$ —	$ 1,238	$ (7)

Pro Forma Earnings Per Share

Pro forma earnings per share has been calculated based on the number of shares assumed to be outstanding, assuming such shares were outstanding for the full periods presented. The following table sets forth the computation of unaudited pro forma basic and diluted earnings per share (in $ millions, except for share and per share data):

	Nine months ended September 30, 2019	Year ended December 31, 2018
Pro forma net income	$ 227	$ 337
Pro forma weighted average shares of common stock outstanding, following the Corporate Reorganization—basic	155,455,000	155,455,000
Pro forma adjustment to reflect the assumed issuance of common stock in this offering	47,170,000	47,170,000
Pro forma adjustment for the weighted average number of vested shares associated with the IPO Grants—basic	54,287	—
Weighted average shares of common stock outstanding used in computing pro forma net income per share—basic	202,679,287	202,625,000
Pro forma adjustment for the weighted average number of shares outstanding associated with the IPO Grants—diluted	69,797	55,062
Weighted average shares of common stock outstanding used in computing pro forma net income per share—diluted	202,749,084	202,680,062
Pro forma net income per share—basic	$ 1.12	$ 1.66
Pro forma net income per share—diluted	1.12	1.66

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our combined financial statements and the notes thereto and the unaudited pro forma combined financial data and notes thereto, each included elsewhere in this prospectus, as well as the information presented under "Selected Historical Combined Financial Data" and "Unaudited Pro Forma Combined Financial Data." This discussion and analysis contains forward-looking statements. These forward-looking statements are subject to risk, uncertainties and other factors that could cause our actual results to differ materially from those expressed or implied by the forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed elsewhere in this prospectus. See in particular "Special Note Regarding Forward–Looking Statements" and "Risk Factors."

We believe the assumptions underlying the combined financial statements are reasonable. However, the combined financial statements included herein may not necessarily reflect our results of operations, financial position and cash flows in the future or what they would have been had we been a separate, stand-alone company during the periods presented.

Overview

We are a market-leading consumer products company with a presence in 95% of households across the United States. We produce and sell products across three broad categories: cooking products, waste & storage products and tableware. We sell our products under iconic brands such as Reynolds and Hefty and also under store brands that are strategically important to our customers. Overall, across both our branded and store brand offerings, over 65% of our revenue for the year ended December 31, 2018 came from products where we hold the #1 U.S. market share position in the category, and in virtually all of our major product categories we hold either a #1 or #2 U.S. market share position by revenue. We have developed our market-leading position by investing in our product categories and consistently developing innovative products that meet the evolving needs and preferences of the modern consumer.

Our mix of branded and store brand products is a key competitive advantage that aligns our goal of growing the overall product category with our customers' goals and positions us as a trusted strategic partner to our retailers. Our Reynolds and Hefty brands have preeminent positions in their categories and carry strong brand recognition in household aisles. The combination of our store brand offerings, the shared goal of category growth and indispensable support in marketing, innovation, branding and promotions has enabled us to achieve the position of category captain level advisor across 29 customers, which represent 73% of U.S. category sales, based on Nielsen ACV in 2018.

We manage our operations in four operating and reportable segments: Reynolds Cooking & Baking, Hefty Waste & Storage, Hefty Tableware and Presto Products:

- ***Reynolds Cooking & Baking***: Through our Reynolds Cooking & Baking segment, we produce branded and store brand foil, parchment paper, disposable aluminum pans and slow cooker liners. Our branded products are sold under the Reynolds Wrap, Reynolds KITCHENS and E-Z Foil brands in the United States, the Diamond brand outside of North America and the ALCAN brand in Canada.
- ***Hefty Waste & Storage***: Through our Hefty Waste & Storage segment, we produce both branded and store brand trash and food storage bags. Our products are sold under brand names such as Hefty Ultra Strong, Hefty Strong Trash Bags and Hefty Slider Bags.
- ***Hefty Tableware***: Through our Hefty Tableware segment, we sell both branded and store brand disposable plates, bowls, platters, cups and cutlery. Our branded products, which include dishes and party cups, are sold under the Hefty brand.

- ***Presto Products:*** Through our Presto Products segment, we primarily sell store brand food storage bags, trash bags, disposable storage containers and plastic wrap.

Trends and Factors Impacting Our Performance

We believe that our performance and future success depend on a number of factors that present significant opportunities for us but also pose risks and challenges, including those discussed below and in the section of this prospectus titled "Risk Factors."

Consumer Demand for our Products

Our business is largely impacted by the demands of our customers, and our success depends on our ability to anticipate and respond to changes in consumer preferences. Our products are household staples with a presence in 95% of households across the United States. We expect our household penetration to continue to increase with the underlying growth in the number of households in the United States and Canada, which is estimated to be approximately 1% from 2018 to 2023.

We also expect that consumers' desire for convenience will continue to sustain demand for our products. Today's consumers are focused on convenience, which extends into household products that improve ease of use and provide time savings, and they are willing to pay a higher price for innovative features and functionality. While advanced features are already prevalent in many of our products, we intend to continue investing in product development to accommodate the convenience-oriented lifestyles of today's consumers, particularly through our Reyvolution initiatives.

Furthermore, while many consumers still prefer to purchase branded products, they are becoming increasingly comfortable purchasing store brand products across broader product categories. Branded products and store brand products accounted for 57% and 43% of our revenue, excluding business-to-business revenue, respectively, in the year ended December 31, 2018. Penetration of store brand products is growing at 0.9% per year across our categories in the aggregate, driven by retailer investment in quality and tiered product offerings. However, penetration and growth does vary by product category, with higher store brand growth and penetration in our disposable tableware than in our bakeware, storage and trash bag and foil product offerings. We intend to continue investing in both our branded and store brand products to grow the entire product category. Our scale across household aisles and ability to offer both branded and store brand products enable us to grow the overall category. Through our category captain level advisor roles with our retail partners, we offer marketing and consumer shopping strategies, both in store and online, which expand usage occasions and stimulate consumption.

Raw Material, Energy and Freight Price Fluctuations

Our business is impacted by fluctuations in the prices of the raw materials, energy and freight costs incurred in manufacturing and distributing our products as well as fluctuations in logistics costs related thereto. The primary raw materials used to manufacture our products are plastic resins and aluminum, and we also use commodity chemicals and energy. We are exposed to commodity and other price risk principally from the purchase of resin, aluminum, natural gas, electricity, carton board and diesel. We distribute our products and receive raw materials primarily by rail and truck, which exposes us to fluctuations in freight and handling costs caused by reduced rail and trucking capacity. Sales contracts for our products typically do not contain pass-through mechanisms for raw material, energy and freight cost changes, but we adjust prices, where possible, in response to such price fluctuations.

Resin prices have historically fluctuated with changes in the prices of crude oil and natural gas, as well as changes in refining capacity and the demand for other petroleum-based products. Aluminum prices have

historically been volatile, as aluminum is a cyclical commodity with prices subject to global market factors. Raw material costs have also been impacted by governmental actions, such as tariffs and trade sanctions.

Purchases of most of our raw materials are based on negotiated rates with suppliers, which are linked to published indices. Typically, we do not enter into long-term purchase contracts that provide for fixed quantities or prices for our principal raw materials.

We use various strategies to manage our cost exposures on certain raw material purchases, and we use naturally established forecast cycles to influence the purchase of raw materials. In addition, from time to time we have entered into hedging agreements, including commodity derivative contracts, to hedge commodity prices primarily related to aluminum, diesel and benzene with the objective of obtaining more predictable costs for these commodities. The realized and unrealized gains or losses arising from derivative instruments are recognized in cost of sales.

Furthermore, since we distribute our products and receive raw materials primarily by rail and truck, reduced availability of rail or trucking capacity and fluctuations in freight and handling costs have caused us to incur increased expenses in prior periods. Where applicable, we also adjust the prices of our products in response to fluctuations in production and distribution costs.

Our operating results are also sensitive to energy-related cost movements, including those impacting both our manufacturing operations and transportation and utility costs.

Competitive Environment

We operate in a marketplace influenced by large retailers with strong negotiating power over their suppliers. Current trends among these large retailers include increased demand for innovative new products from suppliers, requiring suppliers to maintain or reduce product prices and to deliver products within shorter lead times. We also face the threat of competition from new entrants to our markets as well as from existing competitors, including those overseas who may have lower production costs. In addition, the timing and amount in which our competitors invest in advertising and promotional spending may vary from quarter to quarter and impact our sales volumes and financial results. See “Business—Competition” for more detail on our competitors.

Reyvolution

We intend to continually reinvent and optimize our business through Reyvolution—an all-encompassing way of thinking, planning and evaluating our operations to accelerate future growth through product innovation, process automation and cost reduction. Through this program, we have made significant investment focused on reinforcing our existing product portfolio with new and on-trend products, reducing costs to drive increased profitability and refining automation and our manufacturing base to increase efficiency. From January 1, 2017 to September 30, 2019, the impact of Reyvolution was approximately $246 million of Adjusted EBITDA benefit. Of the total, $179 million was generated through cost savings across our businesses, with $67 million of Adjusted EBITDA being generated through revenue initiatives. While impacting our entire business, Reyvolution has been predominantly centered around: (i) growth and product innovation; (ii) operational cost reduction through automation and manufacturing process optimization initiatives; and (iii) materials cost reduction through strategic sourcing initiatives. The impact of Reyvolution has been instrumental in mitigating the cost increases we have incurred related to operational cost inflation (primarily labor and benefits), increased raw material costs (primarily resin and aluminum) and the market driven cost increases we have incurred in logistics.

Reyvolution is expected to continue to positively impact our business going forward, as we are focused on making significant investment across our business to drive revenue growth, market share increases and Adjusted EBITDA margin expansion. In fiscal year 2018, 21% of our revenue was generated from products that were less than three years old. We are also focused on increasing automation through Reyvolution and utilizing digital

capabilities to improve our operational efficiency in our intelligent manufacturing facilities. As a result, we anticipate a temporary increase in capital expenditures in future years associated with these growth and cost saving initiatives and expanding our capacity.

Seasonality

Portions of our business are moderately seasonal. Overall, our strongest sales are in our fourth quarter and our weakest sales are in our first quarter. This is driven by higher levels of sales of cooking products around major U.S. holidays in our fourth quarter, primarily due to the holiday use of Reynolds Wrap, Reynolds Oven Bags and Reynolds Parchment Paper. Our tableware products generally have higher sales in the second quarter of the year, primarily due to outdoor summertime use of disposable plates, cups and bowls.

Sustainability

Interest in environmental sustainability has increased over the past decade, and we expect that this may play an increasing role in consumer purchasing decisions. For instance, there have been recent concerns about the environmental impact of single-use disposable products and products made from plastic, particularly polystyrene foam, affecting our products, especially our Hefty Tableware segment. While there is a focus on environmentally friendly products, survey results indicate that in most of our product categories, consumers continue to rank performance-related purchase criteria, such as durability and ease of use, followed by price, as top considerations, rather than sustainability. As our consumers may shift towards purchasing more sustainable products, we have focused much of our innovation efforts around sustainability. We offer a broad line of products made with recycled, renewable, recyclable and compostable materials. For instance, we recently launched 75% Unbleached Compostable Parchment Paper and redesigned our Hefty party cups to reduce the plastic by 10% while maintaining strength. We intend to continue sustainability innovation to ensure that we are at the leading edge of recyclability, renewability and compostability in order to offer our customers environmentally sustainable choices.

eCommerce

We expect that the trend of using eCommerce platforms to shop for household products will continue to affect our business due to the convenience of online ordering and subscription delivery. Overall, U.S. eCommerce revenues have grown at 14 to 15% per year since 2016, to 14% of retail sales in 2018, with growth expected to continue at a comparable rate over the next three years. We believe that our products are well-suited to sales through eCommerce channels, as they are shelf stable, inexpensive to ship due to most products being light in weight, and easy to transport. Additionally, the recurring purchase cycles for our products well position them to capitalize on continued growth of grocery pickup and subscription services.

Our Separation from RGHL Group

We have historically operated as part of RGHL Group’s broader corporate organization rather than as a stand-alone public company. RGHL Group performed or supported various corporate services for us, including executive management, supply chain, information technology, legal, finance and accounting, human resources, risk management, tax, treasury and other services. In addition, we have sold products to, and purchased products from, RGHL Group. Historically, these transactions involving RGHL Group may not have always been consummated on terms equivalent to those in an arm’s-length transaction. Sales to RGHL Group of products that we manufacture have been reflected as related party net revenues in our combined financial statements. Certain related party transactions are settled in cash and are reflected as related party receivables and payables in our combined balance sheets. The remaining related party transactions with RGHL Group are settled by either non-cash capital contributions from RGHL Group to us or non-cash capital distributions from us. These related party transactions are included as part of RGHL Group’s net investment in our combined balance sheets. We also utilize manufacturing and warehousing facilities and resources managed by RGHL Group to conduct our

business. The expenses associated with these transactions are included in cost of sales in our combined statements of income. We believe that the assumptions and methodologies underlying the allocation of these expenses from RGHL Group are reasonable. However, such allocations do not necessarily reflect what the results of operations and financial position would have been had we operated as a stand-alone public company during the periods presented.

In conjunction with our anticipated separation from RGHL Group, we will enter into the RGHI TSA whereby RGHL Group will continue to provide certain administrative services to us, including information technology services; accounting, treasury, financial reporting and transaction support; human resources; procurement; tax, legal and compliance related services; and other corporate services for up to 24 months. In addition, we will enter into the Rank TSA whereby, upon our request, Rank will provide certain administrative services to us, including financial reporting, consulting and compliance services, insurance procurement and human resources support, legal and corporate secretarial support, and related services for up to 24 months. See “Certain Relationships and Related Party Transactions—Transactions to be Entered into in Connection with this Offering—Transition Services Agreements” for a description of these services. At the conclusion of these transitional arrangements, we will have to perform these services with internal resources or contract with third party providers. The previous arrangements we had with RGHL Group, as reflected in our combined financial statements included elsewhere in this prospectus, may be materially different from the arrangements that we have entered into, or will enter into, as part of our separation from RGHL Group.

Immediately prior to the closing of this offering, as part of the Corporate Reorganization, we will enter into the New Credit Facilities and portions of the related party borrowings owed to RGHL Group that are reflected on our combined balance sheets will be repaid. RGHL Group will contribute the remaining balance of related party borrowings owed by us to RGHL Group, if any, as a contribution of capital prior to the closing of this offering. In addition, $2,021 million of indebtedness that is outstanding under RGHL Group’s Credit Agreement will be reallocated and we will be released as a borrower and guarantor from such facilities and released as a guarantor of RGHL Group’s outstanding senior notes. As a result, on a pro forma basis, as of September 30, 2019, our indebtedness will decrease by $1,726 million and our interest expense will decrease by $231 million for the year ended December 31, 2018 and $132 million for the nine months ended September 30, 2019.

Post-Offering Public Company Expenses

As a public company, we will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. In particular, we expect our accounting, legal and personnel-related expenses and directors’ and officers’ insurance costs to increase as we establish more comprehensive compliance and governance functions, establish, maintain and review internal controls over financial reporting in accordance with the Sarbanes-Oxley Act, and prepare and distribute periodic reports in accordance with SEC rules. Our financial statements following this offering will reflect the impact of these expenses.

In addition, in connection with this offering, we intend to establish the Incentive Plan for purposes of granting stock-based compensation awards to certain of our senior management, to our non-executive directors and to certain employees, to incentivize their performance and align their interests with ours. The maximum number of shares of common stock initially available for issuance under the Incentive Plan granted pursuant to the plan is expected to equal 10,485,025 shares, which includes 162,861 shares of common stock underlying restricted stock units expected to be issued pursuant to the IPO Grants. Upon the granting of stock-based compensation awards, and the vesting of such awards, we will recognize stock-based compensation expense. Accordingly, we expect to recognize a stock compensation charge of approximately $1 million in the quarter in which this offering is consummated. Historically, we have not granted any stock-based compensation awards.

Components of the Combined Statements of Income

Net Revenues

Our revenues are derived primarily from the sale of our products to third parties, net of any sales incentives. Sales incentives include discounts, allowances and trade promotions. Revenue is recognized when control over products transfers to our customers, which generally occurs upon delivery or shipment of the products.

Related Party Net Revenues

Related party net revenues are derived from the sale of our products to RGHL Group. Our related party revenues are recognized primarily in our Reynolds Cooking & Baking segment.

Cost of Sales

Cost of sales consists primarily of the cost of materials, packaging, labor and overhead associated with our manufacturing operations. Also included within cost of sales are the freight and logistics-related costs of delivering our products to our customers.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of general and administrative costs associated with all of our non-manufacturing personnel and advertising costs. The general and administrative costs include wages, benefits, travel expenses, legal fees, R&D costs and any professional fees or consulting services. Advertising costs include programs to support new and existing product lines. Our selling, general and administrative expenses include amounts that are allocated to us for services provided by RGHL Group, including, but not limited to, general corporate expenses related to group wide functions such as executive management, finance, legal, tax and information technology. For further information, refer to Note 1– Description of Business and Basis of Presentation in our annual combined financial statements included elsewhere in this prospectus.

Other Expense, Net

Other expense, net includes the factoring discount on the sale of our U.S. trade receivables through RGHL Group’s securitization facility and the allocated related party management fee.

Non-Operating Income (Expense), Net

Non-operating income (expense), net includes the non-service cost component of net periodic postretirement costs and the defined benefit plan settlement loss that was recognized during fiscal year 2016.

Interest Expense, Net

Interest expense, net consists primarily of interest on external debt and related party borrowings, net of interest income primarily on related party receivables. In conjunction with the Corporate Reorganization and this offering, these historical items of interest expense and interest income will be replaced with interest expense associated with the New Credit Facilities.

Income Tax (Expense) Benefit

Income tax (expense) benefit consists of an estimate of federal, state and foreign income taxes based on enacted tax rates, as adjusted for allowable credits, deductions and uncertain tax positions. During the periods

presented, our U.S. operations were included in a consolidated U.S. federal return as well as certain state and local tax returns filed by RGHL Group. The income tax (expense) benefit has been calculated on a separate return basis. In the future, as a stand-alone entity, we will file tax returns on our own behalf and our effective tax rate and deferred taxes may be different from those in the historical periods.

How We Assess the Performance of Our Business

In addition to financial measures determined in accordance with GAAP, we make use of the non-GAAP financial measure Adjusted EBITDA in evaluating our past results and future prospects.

Adjusted EBITDA

Adjusted EBITDA is defined as net income calculated in accordance with GAAP, plus the sum of income tax expense, net interest expense, depreciation and amortization and further adjusted to exclude unrealized gains and losses on derivatives, costs associated with rationalizing operations and administrative functions, factoring discounts, defined benefit plan settlement losses, amortization of actuarial gains, operational process engineering related consultancy costs, the allocated related party management fee and transaction-related costs.

We present Adjusted EBITDA because it is a key measure used by our management team to evaluate our operating performance, generate future operating plans and make strategic decisions. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management team and board of directors. In addition, our chief operating decision maker uses Adjusted EBITDA of each reportable segment to evaluate the operating performance of such segments.

The following is a reconciliation of our net income, the most directly comparable GAAP financial measure, to Adjusted EBITDA for each of the periods indicated:

	Historical				
	Nine months ended September 30,		Year ended December 31,		
	2019	2018	2018	2017	2016
	(In millions)				
Net income—GAAP	**$135**	**$ 92**	**$176**	**$302**	**$ 79**
Income tax expense (benefit)	44	24	57	(84)	54
Interest expense, net	174	212	280	322	391
Depreciation and amortization	63	66	87	90	97
Factoring discount(1)	15	14	22	19	15
Allocated related party management fee(2)	7	6	10	10	13
Transaction-related costs(3)	12	—	—	—	—
Unrealized losses (gains) on derivatives(4)	(9)	8	14	(4)	(8)
Business rationalization costs(5)	1	4	4	2	1
Defined benefit plan settlement loss(6)	—	—	—	—	9
Other(7)	(1)	(3)	(3)	(1)	(4)
Adjusted EBITDA (Non-GAAP)	**$441**	**$423**	**$647**	**$656**	**$647**

(1) Reflects the loss on sale that we incur when we sell our U.S. trade receivables through RGHL Group's securitization facility. For further information, refer to Note 9—Other Expense, Net in our annual combined financial statements and Note 11—Other Expense, Net in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus.

(2) Reflects our allocation, from RGHL Group, of a management fee that is charged by Rank to RGHL Group. We will not incur any portion of this management fee after closing of this offering. For further information, refer to Note 9—Other Expense, Net in our annual combined financial statements and Note 11—Other Expense, Net in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus.

(3) Reflects allocated costs during the nine months ended September 30, 2019 related to the IPO process that cannot be offset against the expected future IPO proceeds, as well as costs related to our preparations to operate as a stand-alone public company.

(4) Reflects the mark-to-market movements in our commodity derivatives. For further information, refer to Note 7—Financial Instruments in our annual combined financial statements and Note 8—Financial Instruments in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus.

(5) Reflects primarily employee termination costs associated with rationalizing our operations in Canada.

(6) Reflects the settlement loss recognized on merging our defined benefit plan into a plan sponsored by RGHL Group. For further information, refer to Note 8—Benefit Plans in our annual combined financial statements included elsewhere in this prospectus.

(7) Includes the amortization of actuarial gains related to our postretirement benefit plan. For further information, refer to Note 8—Benefit Plans in our annual combined financial statements and Note 9—Benefit Plans in our interim condensed combined financial statements, each of which are included elsewhere in this prospectus.

Results of Operations

The following discussion should be read in conjunction with our combined financial statements included elsewhere in this prospectus. Detailed comparisons of revenue and results are presented in the discussions of the operating segments, which follow our combined results discussion.

Aggregation of Segment Revenue and Adjusted EBITDA

(In millions)	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Unallocated(2)	Total Reynolds Consumer Products
Net revenues						
2018	$ 1,159	$ 696	$ 757	$ 539	$ (9)	$ 3,142
2017	1,068	638	731	531	(11)	2,957
2016	1,057	671	710	510	(13)	2,935
Adjusted EBITDA(1)						
2018	$ 234	$ 172	$ 168	$ 85	$ (12)	$ 647
2017	251	149	183	83	(10)	656
2016	244	151	185	78	(11)	647

(1) Adjusted EBITDA for Reynolds Consumer Products is a non-GAAP measure. See "—How We Assess the Performance of Our Business" for details, including a reconciliation between net income and Adjusted EBITDA.

(2) The unallocated net revenues represent the elimination of revenue on intercompany transactions. These transactions arise primarily from sales by Hefty Waste & Storage to Presto Products.

Nine Months Ended September 30, 2019 Compared with the Nine Months Ended September 30, 2018

Total Reynolds Consumer Products

(In millions, except for %)	For the nine months ended September 30, 2019	% of revenue	2018	% of revenue	Change	% of change
Net revenues	$ 2,083	95%	$ 2,113	95%	$ (30)	(1)%
Related party net revenues	114	5%	122	5%	(8)	(7)%
Total net revenues	**2,197**	**100%**	**2,235**	**100%**	**(38)**	**(2)%**
Cost of sales	(1,580)	(72)%	(1,669)	(75)%	89	(5)%
Gross profit	**617**	**28%**	**566**	**25%**	**51**	**9%**
Selling, general and administrative expenses	(231)	(11)%	(218)	(10)%	(13)	6%
Other expense, net	(34)	(2)%	(20)	(1)%	(14)	70%
Income from operations	**352**	**16%**	**328**	**15%**	**24**	**7%**
Non-operating income, net	1	0%	—	— %	1	
Interest expense, net	(174)	(8)%	(212)	(9)%	38	(18)%
Income before income taxes	**179**	**8%**	**116**	**5%**	**63**	**54%**
Income tax (expense) benefit	(44)	(2)%	(24)	(1)%	(20)	83%
Net income	**$ 135**	**6%**	**$ 92**	**4%**	**$ 43**	**47%**
Adjusted EBITDA(1)	**$ 441**	**20%**	**$ 423**	**19%**	**$ 18**	**4%**

(1) Adjusted EBITDA for Reynolds Consumer Products is a non-GAAP measure. See "—How We Assess the Performance of Our Business" for details, including a reconciliation between net income and Adjusted EBITDA.

Components of Change in Net Revenues for the Nine Months Ended September 30, 2019 vs. the Nine Months Ended September 30, 2018

	Price	Volume/Mix	Total
Reynolds Cooking & Baking	(1)%	(4)%	(5)%
Hefty Waste & Storage	1%	4%	5%
Hefty Tableware	2%	(3)%	(1)%
Presto Products	— %	(4)%	(4)%
Total RCP	**— %**	**(2)%**	**(2)%**

Total Net Revenues. Total net revenues for the nine months ended September 30, 2019 decreased by $38 million, or 2%, to $2,197 million compared to the nine months ended September 30, 2018. The decrease was primarily driven by a $43 million decline in volume across all segments with the exception of Hefty Waste & Storage, partially offset by the continuing impact of price increases taken in 2018.

Cost of Sales. Cost of sales for the nine months ended September 30, 2019 decreased by $89 million, or 5%, to $1,580 million compared to the nine months ended September 30, 2018. The decrease was primarily due to a $65 million decrease in material costs, primarily due to market driven price declines in resin, and the impact of lower volume, partially offset by $22 million of higher manufacturing costs primarily due to inflationary increases.

Selling, General and Administrative Expenses. Selling, general and administrative expenses for the nine months ended September 30, 2019 increased by $13 million, or 6%, to $231 million, compared to the nine months ended September 30, 2018. The increase was due to increased personnel-related costs.

Other Expense, Net. Other expense, net for the nine months ended September 30, 2019 increased by $14 million, or 70%, to $34 million, compared to the nine months ended September 30, 2018. The increase was primarily attributable to $12 million of transaction-related costs incurred during the nine months ended September 30, 2019. These costs comprise amounts associated with the IPO process that cannot be offset against the anticipated IPO proceeds, as well as costs related to our preparations to operate as a stand-alone public company. For both periods, other expense, net, also included the factoring discount on the sale of U.S. trade receivables and the allocation of RGHL Group's related party management fee. We have sold substantially all of our U.S. trade receivables through RGHL Group's securitization facility. Prior to the closing of this offering, we will repurchase the U.S. trade receivables previously sold that are outstanding at the end of our participation in this facility, and the allocation of RGHL Group's related party management fee will cease.

Interest Expense, Net. Interest expense, net for the nine months ended September 30, 2019 decreased by $38 million, or 18%, to $174 million, compared to the nine months ended September 30, 2018. The decrease was primarily due to a $47 million decrease in related party interest expense, partially offset by a $7 million increase in interest expense on external debt. The decrease in related party interest expense was primarily the result of a reduction in amounts outstanding under various related party borrowings. In June 2019, our interest bearing related party receivables were used to reduce amounts outstanding under various related party borrowings by $1,802 million. Partially offsetting the overall decrease in interest expense, net was an increase in interest expense on borrowings outstanding under the RGHL Group Credit Agreement, reflective of an increase in the LIBO reference rate during the nine months ended September 30, 2019 compared to the nine months ended September 30, 2018 from 1.87% to 2.41%.

Immediately prior to the consummation of this offering, we will replace our outstanding borrowings, which comprise amounts outstanding under the RGHL Group Credit Agreement and related party borrowings, with the New Credit Facilities. For further details regarding the New Credit Facilities refer to "—Sources of Liquidity."

Income Tax (Expense) Benefit. We recognized income tax expense of $44 million on income before income taxes of $179 million (an effective tax rate of 25%) for the nine months ended September 30, 2019 compared to income tax expense of $24 million on income before income taxes of $116 million (an effective tax rate of 21%) for the nine months ended September 30, 2018. The increase in the effective tax rate was a result of the favorable impact of U.S. state legislative changes enacted in the nine months ended September 30, 2018 and certain non-deductible transaction-related costs recognized in the nine months ended September 30, 2019.

Adjusted EBITDA. Adjusted EBITDA for the nine months ended September 30, 2019 increased by $18 million, or 4%, to $441 million, compared to the nine months ended September 30, 2018. Lower material costs of $65 million due to market driven price declines in resin were partially offset by higher manufacturing costs of $22 million primarily due to inflationary cost increases, higher personnel-related costs and the impact of lower volume.

Segment Information

Reynolds Cooking & Baking

	For the nine months ended September 30,			
(In millions, except for %)	2019	2018	Change	% change
Total segment net revenues	$744	$780	$ (36)	(5)%
Segment Adjusted EBITDA	116	139	(23)	(17)%
Segment Adjusted EBITDA Margin	16%	18%		

Total Segment Net Revenues. Reynolds Cooking & Baking total segment net revenues for the nine months ended September 30, 2019 decreased by $36 million, or 5%, to $744 million compared to the nine months ended

September 30, 2018. The decline in net revenues was due to $28 million of lower volume, largely attributable to lower foodservice and reroll sales, and decreased pricing driven by increased trade promotion spending.

Adjusted EBITDA. Reynolds Cooking & Baking Adjusted EBITDA for the nine months ended September 30, 2019 decreased $23 million, or 17%, to $116 million compared to the nine months ended September 30, 2018. The decrease in Adjusted EBITDA was primarily driven by $7 million of higher manufacturing costs due to inflationary increases and lower production volume, decreased pricing, the impact of lower volume and higher personnel-related costs.

Hefty Waste & Storage

	For the nine months ended September 30,			
(In millions, except for %)	**2019**	**2018**	**Change**	**% change**
Total segment net revenues	$ 533	$ 508	$ 25	5%
Segment Adjusted EBITDA	142	113	29	26%
Segment Adjusted EBITDA Margin	27%	22%		

Total Segment Net Revenues. Hefty Waste & Storage total segment net revenues for the nine months ended September 30, 2019 increased by $25 million, or 5%, to $533 million compared to the nine months ended September 30, 2018. The increase was primarily due to an $18 million increase in volume resulting largely from strong sales of both branded and store brand trash bags as we gained incremental business and experienced strong growth with existing customers.

Adjusted EBITDA. Hefty Waste & Storage Adjusted EBITDA for the nine months ended September 30, 2019 increased $29 million, or 26%, to $142 million compared to the nine months ended September 30, 2018. The increase in Adjusted EBITDA was primarily driven by higher net revenues as well as $35 million in lower material costs due to market driven price declines in resin. These increases were partially offset by higher manufacturing costs and increased personnel-related costs.

Hefty Tableware

	For the nine months ended September 30,			
(In millions, except for %)	**2019**	**2018**	**Change**	**% change**
Total segment net revenues	$ 545	$ 552	$ (7)	(1)%
Segment Adjusted EBITDA	126	118	8	7%
Segment Adjusted EBITDA Margin	23%	21%		

Total Segment Net Revenues. Hefty Tableware total segment net revenues for the nine months ended September 30, 2019 decreased by $7 million, or 1%, to $545 million compared to the nine months ended September 30, 2018. The decrease was primarily due to $16 million in lower volume due to the exit of certain store branded business, partially offset by new product growth at several of our major customers. The decrease was partially offset by $10 million of higher pricing primarily due to the continuing impact of the price increases taken in 2018.

Adjusted EBITDA. Hefty Tableware Adjusted EBITDA for the nine months ended September 30, 2019 increased $8 million, or 7%, to $126 million compared to the nine months ended September 30, 2018. The increase in Adjusted EBITDA was primarily attributable to $16 million of lower material costs due to market driven price declines in resin and increased pricing, partially offset by higher manufacturing costs and the impact of lower volume.

Presto Products

(In millions, except for %)	For the nine months ended September 30, 2019	2018	Change	% change
Total segment net revenues	$ 387	$ 402	$ (15)	(4)%
Segment Adjusted EBITDA	67	61	6	10%
Segment Adjusted EBITDA Margin	17%	15%		

Total Segment Net Revenues. Presto Products total segment net revenues for the nine months ended September 30, 2019 decreased by $15 million, or 4%, to $387 million compared to the nine months ended September 30, 2018. The decrease was primarily due to $17 million in lower volume driven by the discontinuation of several non-core products, partially offset by strong sales with existing customers and growth within our eCommerce business as we have become the sole supplier for certain store brand products.

Adjusted EBITDA. Presto Products Adjusted EBITDA for the nine months ended September 30, 2019 increased $6 million, or 10%, to $67 million compared to the nine months ended September 30, 2018. The increase in Adjusted EBITDA was primarily driven by $14 million of lower material costs due to market driven price declines in resin, partially offset by $5 million impact of lower volume.

Year Ended December 31, 2018 Compared with the Year Ended December 31, 2017

Total Reynolds Consumer Products

(In millions, except for %)	For the year ended December 31, 2018	% of revenue	2017	% of revenue	Change	% change
Net revenues	$ 2,981	95%	$ 2,809	95%	$ 172	6%
Related party net revenues	161	5%	148	5%	13	9%
Total net revenues	**3,142**	**100%**	**2,957**	**100%**	**185**	**6%**
Cost of sales	(2,310)	(74)%	(2,095)	(71)%	(215)	(10)%
Gross profit	**832**	**26%**	**862**	**29%**	**(30)**	**(3)%**
Selling, general and administrative expenses	(288)	(9)%	(294)	(10)%	6	2%
Other expense, net	(31)	(1)%	(28)	(1)%	(3)	(11)%
Income from operations	**513**	**16%**	**540**	**18%**	**(27)**	**(5)%**
Non-operating expense, net	—	—	—	—	—	NM(1)
Interest expense, net	(280)	(9)%	(322)	(11)%	42	13%
Income before income taxes	**233**	**7%**	**218**	**7%**	**15**	**7%**
Income tax (expense) benefit	(57)	(1)%	84	3%	(141)	NM(1)
Net income	**$ 176**	**6%**	**$ 302**	**10%**	**$ (126)**	**(42)%**
Adjusted EBITDA(2)	**$ 647**	**21%**	**$ 656**	**22%**	**$ (9)**	**(1)%**

(1) Not meaningful.

(2) Adjusted EBITDA for Reynolds Consumer Products is a non-GAAP measure. See "—How We Assess the Performance of Our Business" for details, including a reconciliation between net income and Adjusted EBITDA.

Components of Change in Net Revenues for the Year Ended December 31, 2018 vs. the Year Ended December 31, 2017

	Price	Volume/Mix	Total
Reynolds Cooking & Baking	9%	— %	9%
Hefty Waste & Storage	3%	6%	9%
Hefty Tableware	3%	1%	4%
Presto Products	2%	— %	2%
Total RCP	**5%**	**1%**	**6%**

Total Net Revenues. Total net revenues for the year ended December 31, 2018 increased by $185 million, or 6%, to $3,142 million compared to the year ended December 31, 2017. The increase was primarily driven by a $149 million increase in pricing across all segments and $36 million in higher volume primarily in branded trash bag sales in our Hefty Waste & Storage segment. The price increases, most significant in Reynolds Cooking & Baking, were taken in response to increased material costs, primarily aluminum and resin, and lower trade promotion spending.

Cost of Sales. Cost of sales for the year ended December 31, 2018 increased by $215 million, or 10%, to $2,310 million compared to the year ended December 31, 2017. The increase was primarily due to a $119 million increase in material costs, primarily aluminum and resin, a $30 million increase in logistics costs impacting all of our segments due to higher market driven freight rates, an $18 million increase related to unrealized losses on derivative contracts, a $15 million increase in manufacturing costs primarily due to inflationary increases and the impact of higher volume on variable costs. These cost increases were partially mitigated by cost savings driven by our Reyvolution initiatives which offset material cost increases, primarily aluminum and resin, and inflationary cost increases throughout our operations.

Selling, General and Administrative Expenses. Selling, general and administrative expenses for the year ended December 31, 2018 decreased by $6 million, or 2%, to $288 million, compared to the year ended December 31, 2017. The decrease was primarily due to a $6 million decrease in depreciation due to certain technology assets becoming fully depreciated during the fiscal year 2018 and a $4 million decrease in advertising costs, partially offset by increased personnel-related costs.

Other Expense, Net. Other expense, net for the year ended December 31, 2018 increased by $3 million, or 11%, to $31 million, compared to the year ended December 31, 2017. For both periods, other expense, net, was primarily attributable to the factoring discount on the sale of U.S. trade receivables and the allocation of RGHL Group's related party management fee. We have sold substantially all of our U.S. trade receivables through RGHL Group's securitization facility. Prior to the closing of this offering, we will repurchase the U.S. trade receivables previously sold that are outstanding at the end of our participation in this facility, and the allocation of RGHL Group's related party management fee will cease.

Interest Expense, Net. Interest expense, net for the year ended December 31, 2018 decreased by $42 million, or 13%, to $280 million, compared to the year ended December 31, 2017. The decrease was primarily due to a $26 million increase in related party interest income and a $25 million decrease in related party interest expense, partially offset by a $12 million increase in interest expense on external debt. The $26 million increase in related party interest income is attributable to the combination of increases in the weighted average interest rate, which increased from 1.7% as of December 31, 2017 to 2.9% as of December 31, 2018, and a $472 million increase in the balance of related party receivables. The $25 million decrease in related party interest expense is attributable to the combination of an overall decrease in the weighted average interest rate, which decreased from 6.3% as of December 31, 2017 to 6.0% as of December 31, 2018, and the timing of repayments and new related party borrowings. The interest rates on related party receivables and related party borrowings reflect contractually agreed amounts that were established at the time that the various agreements were entered into. The $12 million increase in interest expense on external debt is primarily attributable to the increase in the LIBO reference rate, which increased from 1.6% as of December 31, 2017 to 2.5% as of December 31, 2018.

In June 2019, our interest bearing related party receivables were used to reduce amounts outstanding under various related party borrowings. Furthermore, immediately prior to the consummation of this offering, we will replace our outstanding borrowings, which comprise amounts outstanding under the RGHL Group Credit Agreement and related party borrowings, with the New Credit Facilities. For further details regarding the New Credit Facilities refer to "—Sources of Liquidity."

Income Tax (Expense) Benefit. We recognized income tax expense of $57 million on income before income taxes of $233 million (an effective tax rate of 24%) for the year ended December 31, 2018 compared to an income tax benefit of $84 million on income before income taxes of $218 million (an effective tax rate of (39)%) for the year ended December 31, 2017. The effective tax rate in the current year reflects the U.S. federal tax rate of 21%. The unusual effective tax rate during the year ended December 31, 2017, reflects the impact of U.S. tax legislative changes enacted in late 2017 requiring the remeasurement of net deferred tax liabilities from 35% to 21%.

Adjusted EBITDA. Adjusted EBITDA for the year ended December 31, 2018 decreased by $9 million, or 1%, to $647 million, compared to the year ended December 31, 2017. Logistics costs increased by $30 million, due to increased market driven freight rates, and manufacturing costs increased by $15 million, primarily due to inflationary increases, partially offset by an increase of $24 million in pricing due to fewer trade promotions and the Adjusted EBITDA impact of higher volume, primarily in our Hefty Waste & Storage segment.

Segment Information

Reynolds Cooking & Baking

	For the year ended December 31,			
(In millions, except for %)	**2018**	**2017**	**Change**	**% change**
Total segment net revenues	$1,159	$1,068	$ 91	9%
Segment Adjusted EBITDA	234	251	(17)	(7)%
Segment Adjusted EBITDA Margin	20%	24%		

Total Segment Net Revenues. Reynolds Cooking & Baking total segment net revenues for the year ended December 31, 2018 increased by $91 million, or 9%, to $1,159 million compared to the year ended December 31, 2017. The increase was primarily due to $93 million in price increases taken in response to increased material costs, primarily aluminum, and lower trade promotion spending, partially offset by lower volume.

Adjusted EBITDA. Reynolds Cooking & Baking Adjusted EBITDA for the year ended December 31, 2018 decreased $17 million, or 7%, to $234 million compared to the year ended December 31, 2017. The decrease in Adjusted EBITDA was primarily driven by $88 million of higher material and manufacturing costs due to increased aluminum prices and inflationary cost increases as well as higher logistics costs due to market driven increases in freight rates and the impact of lower volume. The effects of these unfavorable changes in Adjusted EBITDA were partially offset by $93 million in price increases, as discussed above.

Hefty Waste & Storage

	For the year ended December 31,			
(In millions, except for %)	**2018**	**2017**	**Change**	**% change**
Total segment net revenues	$696	$638	$ 58	9%
Segment Adjusted EBITDA	172	149	23	15%
Segment Adjusted EBITDA Margin	25%	23%		

Total Segment Net Revenues. Hefty Waste & Storage total segment net revenues for the year ended December 31, 2018 increased by $58 million, or 9%, to $696 million compared to the year ended December 31, 2017. The increase was primarily due to a $38 million increase in volume primarily due to strong sales of our branded trash bags and $22 million in price increases taken in response to higher material costs, primarily resin, and lower trade promotion spending.

Adjusted EBITDA. Hefty Waste & Storage Adjusted EBITDA for the year ended December 31, 2018 increased $23 million, or 15%, to $172 million compared to the year ended December 31, 2017. The increase in Adjusted EBITDA was primarily driven by $22 million in price increases, as discussed above, $17 million attributable to the higher volume noted above and $6 million in lower advertising spending. The effects of these favorable changes in Adjusted EBITDA were partially offset by $18 million of higher material and manufacturing costs, driven by increased resin prices and inflationary cost increases.

Hefty Tableware

	For the year ended December 31,			
(In millions, except for %)	**2018**	**2017**	**Change**	**% change**
Total segment net revenues	$757	$731	$ 26	4%
Segment Adjusted EBITDA	168	183	(15)	(8)%
Segment Adjusted EBITDA Margin	22%	25%		

Total Segment Net Revenues. Hefty Tableware total segment net revenues for the year ended December 31, 2018 increased by $26 million, or 4%, to $757 million compared to the year ended December 31, 2017. The increase was primarily due to $22 million in price increases primarily taken in response to higher material costs, primarily resin, and higher volume primarily driven by the introduction of new products, partially offset by softness in certain channels.

Adjusted EBITDA. Hefty Tableware Adjusted EBITDA for the year ended December 31, 2018 decreased $15 million, or 8%, to $168 million compared to the year ended December 31, 2017. The decrease in Adjusted EBITDA was primarily attributable to $22 million of higher manufacturing and material costs due to resin cost increases and inflationary cost increases and $16 million of higher logistics costs as a result of higher market driven freight rates. These costs increases were partially offset by $22 million of price increases, as discussed above.

Presto Products

	For the year ended December 31,			
(In millions, except for %)	**2018**	**2017**	**Change**	**% change**
Total segment net revenues	$539	$531	$ 8	2%
Segment Adjusted EBITDA	85	83	2	2%
Segment Adjusted EBITDA Margin	16%	16%		

Total Segment Net Revenues. Presto Products total segment net revenues for the year ended December 31, 2018 increased by $8 million, or 2%, to $539 million compared to the year ended December 31, 2017. The increase was primarily due to $13 million in price increases taken in response to higher material costs, primarily resin.

Adjusted EBITDA. Presto Products Adjusted EBITDA for the year ended December 31, 2018 increased $2 million, or 2%, to $85 million compared to the year ended December 31, 2017. The increase in Adjusted EBITDA was primarily driven by $5 million of lower manufacturing costs driven by our Reyvolution initiatives and lower employee related costs, partially offset by $6 million of higher logistics costs due to market driven freight increases.

Year Ended December 31, 2017 Compared with the Year Ended December 31, 2016

Total Reynolds Consumer Products

(In millions, except for %)	For the year ended December 31, 2017	% of revenue	2016	% of revenue	Change	% change
Net revenues	$ 2,809	95%	$ 2,792	95%	$ 17	1%
Related party net revenues	148	5%	143	5%	5	3%
Total net revenues	**2,957**	**100%**	**2,935**	**100%**	**22**	**1%**
Cost of sales	(2,095)	(71)%	(2,048)	(70)%	(47)	(2)%
Gross profit	**862**	**29%**	**887**	**30%**	**(25)**	**(3)%**
Selling, general and administrative expenses	(294)	(10)%	(325)	(11)%	31	10%
Other expense, net	(28)	(1)%	(28)	(1)%	—	—
Income from operations	**540**	**18%**	**534**	**18%**	**6**	**1%**
Non-operating expense, net	—	— %	(10)	— %	(10)	100%
Interest expense, net	(322)	(11)%	(391)	(13)%	69	18%
Income before income taxes	**218**	**7%**	**133**	**5%**	**85**	**64%**
Income tax (expense) benefit	84	3%	(54)	(2)%	138	NM(1)
Net income	**$ 302**	**10%**	**$ 79**	**3%**	**$ 223**	**282%**
Adjusted EBITDA(2)	**$ 656**	**22%**	**$ 647**	**22%**	**$ 9**	**1%**

(1) Not meaningful.

(2) Adjusted EBITDA for Reynolds Consumer Products is a non-GAAP measure. See "—How We Assess the Performance of Our Business" for details, including a reconciliation between net income and Adjusted EBITDA.

Components of Change in Net Revenues for the Year Ended December 31, 2017 vs. the Year Ended December 31, 2016

	Price	Volume/Mix	Total
Reynolds Cooking & Baking	1%	— %	1%
Hefty Waste & Storage	— %	(5%)	(5%)
Hefty Tableware	1%	2%	3%
Presto Products	2%	2%	4%
Total RCP	**1%**	**— %**	**1%**

Total Net Revenues. Total net revenues for the year ended December 31, 2017 increased by $22 million, or 1%, to $2,957 million compared to the year ended December 31, 2016. The increase was primarily due to $36 million of price increases primarily taken in response to higher material costs, partially offset by a $13 million decline in volume. The decline in volume was primarily due to the exit of certain store brand products in our Hefty Waste & Storage segment.

Cost of Sales. Cost of sales for the year ended December 31, 2017 increased by $47 million, or 2%, to $2,095 million compared to the year ended December 31, 2016. The increase was primarily due to $65 million of increased material and manufacturing costs driven by increased resin and aluminum prices and inflationary increases, partially offset by the impact of lower volume. These cost increases were partially mitigated by cost savings driven by our Reyvolution initiatives which offset material cost increases, primarily aluminum and resin, and inflationary cost increases throughout our operations.

Selling, General and Administrative Expenses. Selling, general and administrative expenses for the year ended December 31, 2017 decreased by $31 million, or 10%, to $294 million compared to the year ended

December 31, 2016. The decrease was primarily due to a $26 million decrease in advertising spending driven by the launch in 2016 of several new product lines and a general decrease in advertising spending in the Reynolds Cooking & Baking and Hefty Waste & Storage segments.

Other Expense, Net. Other expense, net for the year ended December 31, 2017 remained unchanged at $28 million compared to the year ended December 31, 2016. Other expense, net, for both periods, was primarily attributable to the factoring discount on the sale of U.S. trade receivables and the allocation of a related party management fee. We have sold substantially all of our U.S. trade receivables through RGHL Group's securitization facility. Prior to the closing of this offering, we will repurchase the U.S. trade receivables previously sold that are outstanding at the end of our participation in this facility. The allocation of the related party management fee will also cease.

Non-Operating Expense, Net. Non-operating expense, net for the year ended December 31, 2017 decreased by $10 million, or 100%, to nil compared to the year ended December 31, 2016. The net decrease was primarily attributable to a $9 million defined benefit plan settlement loss in 2016 following the merger of our defined benefit pension plan into a plan sponsored by RGHL Group.

Interest Expense, Net. Interest expense, net for the year ended December 31, 2017 decreased by $69 million, or 18%, to $322 million compared to the year ended December 31, 2016. The decrease was primarily due to a $74 million decrease in related party interest expense and a $12 million increase in related party interest income, partially offset by a $34 million increase in interest expense on borrowings under the RGHL Group Credit Agreement. The changes in related party interest income and interest expense are primarily the result of changes in interest rates and outstanding principal balances. The increase in interest expense on the RGHL Group Credit Agreement borrowings is primarily attributable to an increase in outstanding borrowings.

In June 2019, our interest bearing related party receivables were used to reduce amounts outstanding under various related party borrowings. Furthermore, immediately prior to the consummation of this offering, we will replace our outstanding borrowings, which comprise amounts outstanding under the RGHL Group Credit Agreement and related party borrowings, with the New Credit Facilities. For further details regarding the New Credit Facilities refer to "—Sources of Liquidity."

Income Tax (Expense) Benefit. We recognized an income tax benefit of $84 million on profit before income taxes of $218 million (an effective tax rate of (39)%) for the year ended December 31, 2017 compared to income tax expense of $54 million on profit before income taxes of $133 million (an effective tax rate of 41%) for the year ended December 31, 2016. The unusual effective tax rate during the year ended December 31, 2017, reflects the impact of U.S. tax legislative changes enacted in late 2017 requiring the remeasurement of net deferred tax liabilities from 35% to 21%.

Adjusted EBITDA. Adjusted EBITDA increased $9 million, or 1%, to $656 million for the year ended December 31, 2017 compared to the year ended December 31, 2016. Price increases of $36 million, as discussed above, a decrease of $26 million in advertising spending associated with the launch in 2016 of several new products that did not repeat and $14 million of higher volume were partially offset by $65 million of higher material and manufacturing costs due to increased material costs, primarily resin and aluminum, and inflationary cost increases.

Segment Information

Reynolds Cooking & Baking

(In millions, except for %)	For the year ended December 31, 2017	2016	Change	% change
Total segment net revenues	$1,068	$1,057	$ 11	1%
Segment Adjusted EBITDA	251	244	7	3%
Segment Adjusted EBITDA Margin	24%	23%		

Total Segment Net Revenues. Reynolds Cooking & Baking total segment net revenues for the year ended December 31, 2017 increased by $11 million, or 1%, to $1,068 million compared to the year ended December 31, 2016. This increase was primarily driven by $16 million in price increases taken in response to higher material costs, primarily aluminum, and lower trade promotion spending, partially offset by lower volume.

Adjusted EBITDA. Reynolds Cooking & Baking Adjusted EBITDA for the year ended December 31, 2017 increased $7 million, or 3%, to $251 million compared to the year ended December 31, 2016. The increase in Adjusted EBITDA was primarily attributable to the $16 million increase in pricing, as discussed above, and lower advertising spending of $9 million due to the launch in 2016 of a new product and the related increase in advertising spending that did not repeat in 2017. These were partially offset by an increase of $12 million in material and manufacturing costs.

Hefty Waste & Storage

(In millions, except for %)	For the year ended December 31, 2017	2016	Change	% change
Total segment net revenues	$638	$671	$ (33)	(5)%
Segment Adjusted EBITDA	149	151	(2)	(1)%
Segment Adjusted EBITDA Margin	23%	23%		

Total Segment Net Revenues. Hefty Waste & Storage total segment net revenues for the year ended December 31, 2017 decreased by $33 million, or 5%, to $638 million compared to the year ended December 31, 2016. The decrease was primarily due to lower volume driven by the exit of certain store brand products, which was partially offset by higher volume of our branded products, including the 2016 launch of our Hefty Ultra Strong product line.

Adjusted EBITDA. Hefty Waste & Storage Adjusted EBITDA for the year ended December 31, 2017 decreased $2 million, or 1%, to $149 million compared to the year ended December 31, 2016. The decrease in Adjusted EBITDA was primarily driven by an increase of $18 million in material and manufacturing costs, partially offset by a decrease of $15 million in advertising spending primarily due to the launch in 2016 of our Hefty Ultra Strong product line.

Hefty Tableware

(In millions, except for %)	For the year ended December 31, 2017	2016	Change	% change
Total segment net revenues	$731	$710	$ 21	3%
Segment Adjusted EBITDA	183	185	(2)	(1)%
Segment Adjusted EBITDA Margin	25%	26%		

Total Segment Net Revenues. Hefty Tableware total segment net revenues for the year ended December 31, 2017 increased by $21 million, or 3%, to $731 million compared to the year ended December 31, 2016. The increase was primarily due to $11 million in higher volume partially due to new products and $9 million in price increases taken in response to higher material costs, primarily resin.

Adjusted EBITDA. Hefty Tableware Adjusted EBITDA for the year ended December 31, 2017 decreased $2 million, or 1%, to $183 million compared to the year ended December 31, 2016. The decrease in Adjusted EBITDA was primarily attributable to $24 million of higher material costs, partially offset by $9 million of price increases, as discussed above, $6 million of lower manufacturing costs driven by our Reyvolution initiatives and the impact of higher volume.

Presto Products

	For the year ended December 31,			
(In millions, except for %)	**2017**	**2016**	**Change**	**% change**
Total segment net revenues	$531	$510	$ 21	4%
Segment Adjusted EBITDA	83	78	5	6%
Segment Adjusted EBITDA Margin	16%	15%		

Total Segment Net Revenues. Presto Products total segment net revenues for the year ended December 31, 2017 increased by $21 million, or 4%, to $531 million compared to the year ended December 31, 2016. The increase was primarily due to $10 million in higher volume and $10 million of price increases taken in response to higher material costs, primarily resin.

Adjusted EBITDA. Presto Products Adjusted EBITDA for the year ended December 31, 2017 increased $5 million, or 6%, to $83 million compared to the year ended December 31, 2016. The increase in Adjusted EBITDA was primarily attributable to the price increases noted above, the impact of higher volume and lower employee-related costs. These increases were partially offset by higher material and manufacturing costs.

Historical Cash Flows

Nine months ended September 30, 2019 and 2018

The following table discloses our cash flows for the periods presented:

	For the nine months ended September 30,	
(In millions)	**2019**	**2018**
Net cash provided by operating activities	$ 158	$ 347
Net cash used in investing activities	(93)	(235)
Net cash used in financing activities	(73)	(129)
Net decrease in cash and cash equivalents	**$ (8)**	**$ (17)**

Cash provided by operating activities

Net cash from operating activities decreased by $189 million, or 54%, to $158 million for the nine months ended September 30, 2019 compared to $347 million for the nine months ended September 30, 2018. The decrease in net cash inflows from operating activities was primarily attributable to the settlement of related party payables, partially offset by a lower net investment in inventory during the current period.

Cash used in investing activities

Net cash used in investing activities decreased by $142 million, or 60%, to $93 million for the nine months ended September 30, 2019 compared to $235 million for the nine months ended September 30, 2018. The net decrease was primarily attributable to net changes in cash advanced to RGHL Group as part of wider RGHL Group cash management activities. Excluding these related party items, cash outflows from investing activities increased by $24 million, or 48%, to $74 million for the nine months ended September 30, 2019 from $50 million for the nine months ended September 30, 2018. These amounts represent expenditures on the acquisition of property, plant and equipment. This increase in capital expenditures was associated with cost reduction projects related to our Reyvolution program.

Cash used in financing activities

Net cash used in financing activities decreased by $56 million, or 43%, for the nine months ended September 30, 2019 compared to a net outflow of $129 million for the nine months ended September 30, 2018. The change in cash flows from financing activities was primarily attributable to changes in related party balances as part of wider RGHL Group cash management activities.

Years ended December 31, 2018, 2017 and 2016

The following table discloses our cash flows for the years presented:

	For the year ended December 31,		
(In millions)	**2018**	**2017**	**2016**
Net cash provided by operating activities	$ 530	$ 395	$ 393
Net cash used in investing activities	(554)	(364)	(584)
Net cash provided by (used in) financing activities	24	(40)	180
Net increase (decrease) in cash and cash equivalents	**$ —**	**$ (9)**	**$ (11)**

Cash provided by operating activities

Net cash from operating activities increased by $135 million, or 34%, to $530 million for the year ended December 31, 2018 compared to $395 million for the year ended December 31, 2017. The net increase in cash inflows from operating activities was primarily attributable to net changes in related party receivables, payables and accrued interest, as well as increased earnings.

Net cash from operating activities increased by $2 million, or 1%, to $395 million for the year ended December 31, 2017 compared to $393 million for the year ended December 31, 2016. The net increase in cash inflows from operating activities was primarily driven by a $112 million reduction in interest payments and increased earnings, partially offset by an unfavorable change of $69 million in net working capital, primarily driven by higher raw material costs and a strategic build of inventory, and an unfavorable change in related party receivables and payables.

Cash used in investing activities

Net cash used in investing activities increased by $190 million, or 52%, to $554 million for the year ended December 31, 2018 compared to $364 million for the year ended December 31, 2017. These amounts and movements were primarily attributable to changes in net cash advanced to RGHL Group as part of wider RGHL Group cash management activities. Excluding these related party items, cash outflows from investing activities increased by $26 million, or 46%, to $82 million for the year ended December 31, 2018 from $56 million for the

year ended December 31, 2017. These amounts represent expenditures on the acquisition of property, plant and equipment. This increase in expenditure was associated with cost reduction projects related to our Reyvolution program and expanding our capacity, including increased foil spooling capabilities.

Net cash used in investing activities decreased by $220 million, or 38%, to $364 million for the year ended December 31, 2017 compared to $584 million for the year ended December 31, 2016. These amounts and movements were primarily attributable to changes in net cash advanced to RGHL Group as part of wider RGHL Group cash management activities. Excluding these related party items, cash outflows from investing activities increased by $13 million, or 30%, to $56 million for the year ended December 31, 2017 from $43 million for the year ended December 31, 2016. These amounts represent expenditures on the acquisition of property, plant and equipment. This increase in expenditure was associated with cost reduction projects related to increased environmental, health and safety spending.

Cash provided by (used in) financing activities

Net cash from financing activities was a net inflow of $24 million for the year ended December 31, 2018, a change of $64 million from a net outflow of $40 million for the year ended December 31, 2017. The change in cash flows from financing activities was primarily attributable to changes in related party balances.

Net cash from financing activities was a net outflow of $40 million for the year ended December 31, 2017, a change of $220 million from a net inflow of $180 million for the year ended December 31, 2016. The change in cash flows from financing activities was primarily attributable to changes in related party balances, partially offset by a $146 million reduction in the repayment of long-term debt.

Quarterly Results and Seasonality

Portions of our business are moderately seasonal. Overall, our strongest sales are in our fourth quarter and our weakest sales are in our first quarter. This is driven by higher levels of sales of cooking products around major U.S. holidays in our fourth quarter, primarily due to the holiday use of Reynolds Wrap, Reynolds Oven Bags and Reynolds Parchment Paper. Our tableware products generally have higher sales in the second quarter of the year, primarily due to outdoor summertime use of disposable plates, cups and bowls.

The following table sets forth quarterly data for each of the periods presented. In management’s opinion, the data below has been prepared on the same basis as the combined financial statements included elsewhere in this prospectus and reflects all normal and recurring adjustments considered necessary for a fair statement of this data. The results of historical periods are not necessarily indicative of the results to be expected for a full year or any future period. The following quarterly financial data should be read in conjunction with our audited annual

combined financial statements and related notes and our interim unaudited condensed combined financial statements and related notes included elsewhere in this prospectus.

	Three months ended September 30, 2019	Three months ended June 30, 2019	Three months ended March 31, 2019	Three months ended December 31, 2018	Three months ended September 30, 2018	Three months ended June 30, 2018	Three months ended March 31, 2018
				(In millions)			
Statements of Income Data:							
Net revenues	$ 705	$ 753	$ 625	$ 868	$ 731	$ 756	$ 626
Related party net revenues	36	38	40	39	41	42	39
Total net revenues	**741**	**791**	**665**	**907**	**772**	**798**	**665**
Cost of sales	(524)	(564)	(492)	(641)	(565)	(587)	(517)
Gross profit	**217**	**227**	**173**	**266**	**207**	**211**	**148**
Selling, general and administrative expenses	(76)	(77)	(78)	(70)	(69)	(76)	(73)
Other expense, net	(20)	(9)	(5)	(11)	(7)	(7)	(6)
Income from operations	**121**	**141**	**90**	**185**	**131**	**128**	**69**
Non-operating income, net	1	—	—	—	—	—	—
Interest expense, net	(39)	(67)	(68)	(68)	(69)	(71)	(72)
Income (loss) before income taxes	**$ 83**	**$ 74**	**$ 22**	**$ 117**	**$ 62**	**$ 57**	**$ (3)**

Sources of Liquidity

Historically, our principal sources of liquidity have been our existing cash and cash equivalents, cash generated from operating activities and related party borrowings from RGHL Group. Our net cash provided by operating activities included the sale of substantially all of our U.S. trade receivables through RGHL Group's securitization facility. In conjunction with this offering, RGHL Group's securitization facility will be amended and we will repurchase, for cash, the U.S. trade receivables previously sold under the securitization facility that are outstanding as of the time of the repurchase of such trade receivables.

Following the consummation of this offering, our principal sources of liquidity will be existing cash and cash equivalents, cash generated from operating activities and available borrowings under the New Revolving Facility.

New Credit Facilities

Immediately prior to the closing of this offering, we expect to enter into the New Credit Facilities with Credit Suisse AG, Cayman Islands Branch as administrative agent, collateral agent and a letter of credit issuer and certain other parties.

The New Credit Facilities will provide for a New Term Loan Facility in an aggregate principal amount of $2,475 million and a New Revolving Facility in an aggregate principal amount of $250 million. The New Revolving Facility is expected to be undrawn upon the closing of this offering.

The initial borrower under the New Credit Facilities will be one or more domestic wholly-owned subsidiaries of RCPI (collectively, the "Borrower"). The New Revolving Facility will include a sub-facility for letters of credit. In addition, the New Credit Facilities will provide that the Borrower will have the right at any time, subject to customary conditions, to request incremental term loans or incremental revolving credit commitments in amounts and on terms set forth therein. The lenders under the New Credit Facilities will not be under any obligation to provide any such incremental loans or commitments, and any such addition of or increase in loans will be subject to certain customary conditions precedent and other provisions.

Interest rate and fees

Borrowings under the New Credit Facilities are expected to bear interest at a rate per annum equal to an applicable margin to be determined based on market conditions plus, at the Borrower's option, either (a) a base rate determined by reference to the highest of (1) the administrative agent's prime lending rate, (2) the federal funds effective rate plus 1/2 of 1% and (3) the LIBOR rate for a one month interest period plus 1.00% or (b) a LIBOR rate determined by reference to the LIBOR rate as set forth by any service selected by the administrative agent that has been nominated by the ICE Benchmark Administration Limited (or any successor administrator) as an authorized information vendor for the purpose of displaying such rates (or, if the ICE Benchmark Administration Limited no longer administers such rate, the equivalent rate for deposits in dollars administered by any successor administrator of such rate for the interest period relevant to such borrowing), in each case, subject to interest rate floors. The applicable margin on the New Term Loan Facility and the New Revolving Facility are yet to be determined and are subject to market conditions at or prior to the time we execute definitive documentation for the New Credit Facilities. See "Unaudited Pro Forma Combined Financial Data" for additional details regarding the expected interest rate on the New Term Loan Facility, including an assumed applicable margin based on information available at the date of this prospectus and sensitivity analysis.

Prepayments

It is expected that the New Term Loan Facility will contain customary mandatory prepayments, including with respect to excess cash flow, asset sale proceeds and proceeds from certain incurrences of indebtedness.

It is expected that the Borrower may voluntarily repay outstanding loans under the New Term Loan Facility at any time without premium or penalty, other than customary breakage costs with respect to LIBO rate loans; provided, however, that we expect that any voluntary prepayment, refinancing or repricing of the New Credit Facilities in connection with certain repricing transactions that occur prior to the six-month anniversary of the closing of the New Term Loan Facility will be subject to a prepayment premium of 1.00% of the principal amount of the term loans so prepaid, refinanced or repriced.

Amortization and maturity

The New Term Loan Facility is expected to amortize in equal quarterly installments in an aggregate annual amount equal to 1.00% of the original principal amount thereon, with the balance being payable on the date that is seven years after the closing of the New Credit Facilities. The New Revolving Facility will mature five years after the closing of the New Credit Facilities.

Guarantee and security

All obligations under the New Credit Facilities and certain hedge agreements and cash management arrangements provided by any lender party to the New Credit Facilities or any of its affiliates and certain other persons will be unconditionally guaranteed by RCPI, the Borrower (with respect to hedge agreements and cash management arrangements not entered into by the Borrower) and certain of RCPI's existing and subsequently acquired or organized direct or indirect material wholly-owned U.S. restricted subsidiaries, with customary exceptions including, among other things, where providing such guarantees is not permitted by law, regulation or contract or would result in material adverse tax consequences.

All obligations under the New Credit Facilities and certain hedge agreements and cash management arrangements provided by any lender party to the New Credit Facilities or any of its affiliates and certain other persons, and the guarantees of such obligations, will be secured, subject to permitted liens and other exceptions, by: (i) a perfected first-priority pledge of all the equity interests of each wholly-owned material restricted subsidiary of RCPI, the Borrower or a subsidiary guarantor, including the equity interests of the Borrower (limited to 65% of voting stock in the case of first-tier non-U.S. subsidiaries of RCPI, the Borrower or any subsidiary guarantor) and (ii) perfected first-priority security interests in substantially all tangible and intangible personal property of RCPI, the Borrower and the subsidiary guarantors (subject to certain other exclusions).

Certain covenants and events of default

The New Credit Facilities are expected to contain a number of covenants that, among other things, will restrict, subject to certain exceptions, our ability and the ability of the restricted subsidiaries of RCPI to:

- incur additional indebtedness and guarantee indebtedness;
- create or incur liens;
- engage in mergers or consolidations;
- sell, transfer or otherwise dispose of assets;
- pay dividends and distributions or repurchase capital stock;
- prepay, redeem or repurchase certain indebtedness;
- make investments, loans and advances
- enter into certain transactions with affiliates;
- enter into agreements which limit the ability of our restricted subsidiaries to incur restrictions on their ability to make distributions; and
- enter into amendments to certain indebtedness in a manner materially adverse to the lenders.

The New Credit Facilities are expected to contain a springing financial covenant requiring compliance with a ratio of first lien net indebtedness to consolidated EBITDA, applicable solely to the New Revolving Facility. The financial covenant will be tested on the last day of any fiscal quarter (commencing with the first full fiscal quarter after the closing date of the New Credit Facilities) only if the aggregate principal amount of borrowings under the revolving facility and drawn but unreimbursed letters of credit exceeds 35% of the total amount of commitments under the New Revolving Facility on such day.

If an event of default occurs, the lenders under the New Credit Facilities will be entitled to take various actions, including the acceleration of amounts due under the New Credit Facilities and all actions permitted to be taken by secured creditors.

We believe that our projected cash position, cash flows from operations and, following the consummation of this offering, borrowings under the New Credit Facilities will be sufficient to meet the needs of our business.

Contractual Obligations

The following table summarizes our material contractual obligations as of December 31, 2018, on a historical basis:

(In millions)	Total	Less than one year	One to three years	Three to five years	Greater than five years
Long-term debt(1)	$2,464	$ 129	$ 255	$ 2,080	$ —
Related party borrowings, including accrued interest(1)	5,609	1,004	448	3,803	354
Operating leases	54	11	17	11	15
Unconditional capital expenditure obligations	29	29	—	—	—
Postretirement benefit plan obligations	47	3	6	6	32
Total contractual obligations	**$8,203**	**$ 1,176**	**$ 726**	**$ 5,900**	**$ 401**

(1) Total obligations for long-term debt and related party borrowings consist of the principal amounts, fixed and floating rate interest obligations, including related party accrued interest payable as of December 31, 2018. The interest rates on the floating rate debt balances have been assumed to be the same as the rates in effect as of December 31, 2018. In June 2019, we net settled related party borrowings of $1,714 million and related party accrued interest payable of $655 million. For further information, refer to Note 15—Subsequent Events of our annual combined financial statements included elsewhere in this prospectus. As part of the Corporate Reorganization, the existing long-term debt and related party borrowings will be settled and we will also enter into the New Term Loan Facility, with repayments expected to be $25 million (less than one year), $50 million (one to three years), $50 million (three to five years) and $2,350 million (greater than five years).

As of December 31, 2018, our liabilities for uncertain tax positions totaled $1 million. The ultimate timing of these liabilities cannot be determined; therefore, we have excluded these amounts from the contractual obligations table above.

Off-Balance Sheet Arrangements

Other than operating leases entered into in the normal course of business, we have no material off-balance sheet obligations.

Quantitative and Qualitative Disclosures about Market Risk

In the normal course of business, we are subject to risks from adverse fluctuations in interest rates and commodity prices. We have historically managed commodity price risks through commodity derivatives. We are not a party to leveraged derivatives and, by policy, do not use financial instruments for speculative purposes. The extent to which we use derivative instruments is dependent upon our access to them in the financial markets, the costs associated with entering into such arrangements and our use of other risk management methods, such as establishing sales arrangements that permit the pass-through of changes in commodity prices to customers. Our objective in managing our exposure to market risk is to limit the impact on earnings and cash flow.

Interest Rate Risk

We had significant debt commitments outstanding as of December 31, 2018. These on-balance sheet financial instruments, to the extent they accrue interest at variable interest rates, expose us to interest rate risk. Our interest rate risk arises primarily on significant borrowings that are drawn under our portion of the RGHL Group Credit Agreement and certain related party borrowings.

In conjunction with this offering all of our obligations under the historical debt commitments, both those with third party financial institutions and those with RGHL Group, will be settled, and we will incur $2,475

million of interest bearing borrowings under the New Credit Facilities. Based on the expected outstanding borrowings under the New Term Loan Facility as of the closing of this offering with all other variables remaining constant, a 100-basis point increase (decrease) in the interest rates under the New Term Loan Facility would result in a $25 million increase (decrease) in interest expense, per annum, on our borrowings.

Commodity Risk

We are exposed to commodity and other price risk principally from the purchase of resin, aluminum, natural gas, electricity, carton board and diesel. We use various strategies to manage cost exposures on certain material purchases with the objective of obtaining more predictable costs for these commodities. From time to time, we enter into hedging agreements, including commodity derivative contracts, to hedge commodity prices primarily related to aluminum, diesel and benzene.

We enter into futures and swaps to reduce our exposure to commodity price fluctuations. These derivatives are implemented to either (a) mitigate the impact of the lag in timing between when material costs change and when we can pass through these material cost changes to our customers or (b) fix our input costs for a period. The following table provides the details of our outstanding commodity derivative contracts as of December 31, 2018.

Type	Unit of measure	Contracted volume	Contracted price range	Contracted date of maturity
Aluminum swaps	Metric tonne	34,711	$1,925.00 - $2,499.50	Jan. 2019 - Dec. 2019
Aluminum Midwest Premium swaps	Metric tonne	4,130	$403.45 - $407.85	Jan. 2019 - Dec. 2019
Benzene swaps	U.S. liquid gallon	1,882,258	$2.28 - $3.02	Feb. 2019 - June 2019
Diesel swaps	U.S. liquid gallon	3,449,492	$2.88 - $3.40	Jan. 2019 - Dec. 2019

Commodity derivative contracts are valued using observable market commodity index prices less the contract rate multiplied by the notional amount or based on pricing models that rely on market observable inputs such as commodity prices. As of December 31, 2018, the estimated fair values of the outstanding commodity derivative contracts were a net liability of $9 million. During the year ended December 31, 2018, we recognized a $14 million unrealized loss and a $4 million realized loss in cost of sales in the combined statement of income related to commodity derivatives.

A 10% upward (downward) movement in the price curve used to value the commodity derivative contracts, applied as of December 31, 2018, would have resulted in a $1 million (decrease) increase in unrealized losses recognized in the combined statement of income assuming all other variables remain constant.

Critical Accounting Policies

The methods, estimates and judgments we use in applying our most critical accounting policies have a significant impact on the results we report in our combined financial statements. Specific areas requiring the application of management's estimates and judgments include, among others, assumptions pertaining to benefit plan assumptions, valuation assumptions of goodwill and intangible assets, useful lives of long-lived assets, sales incentives and income taxes. Accordingly, a different financial presentation could result depending on the judgments, estimates or assumptions that are used. The most critical accounting policies and estimates are those that are most important to the portrayal of our financial condition and results of operations and require us to make the most difficult and subjective judgments, often estimating the outcome of future events that are inherently uncertain. Our most critical accounting policies and estimates are related to revenue recognition, the valuation of goodwill and intangible assets and income taxes. A summary of our significant accounting policies and use of estimates is contained in Note 2–Summary of Significant Accounting Policies of our annual combined financial statements included elsewhere in this prospectus.

Revenue Recognition—Sales Incentives

We routinely commit to one-time or ongoing trade-promotion programs with our customers. Programs include discounts, allowances, shelf-price reductions, end-of-aisle or in-store displays of our products and graphics and other trade-promotion activities conducted by the customer, such as coupons. Collectively, we refer to these as sales incentives or trade promotions. Costs related to these programs are recorded as a reduction to revenue. Our trade promotion accruals are primarily based on estimated volume and incorporate historical sales and spending trends by customer and category. The determination of these estimated accruals requires judgment and may change in the future as a result of changes in customer promotion participation, particularly for new programs and for programs related to the introduction of new products. Final determination of the total cost of a promotion is dependent upon customers providing information about proof of performance and other information related to the promotional event. This process of analyzing and settling trade-promotion programs with customers could impact our results of operations and trade promotion accruals depending on how actual results of the programs compare to original estimates. Sales incentives represented 5% of total net revenues for fiscal year 2018 and 6% of total net revenues for each of fiscal year 2017 and fiscal year 2016. As of December 31, 2018 and 2017, we had accruals of $40 million and $32 million, respectively, reflected on our combined balance sheets in Accrued and other current liabilities related to sales incentive programs.

Goodwill, Indefinite-Lived Intangible Assets and Long-Lived Assets

We test our goodwill and other indefinite-lived intangible assets for impairment annually in the fiscal fourth quarter unless there are indications during a different interim period that these assets may have become impaired. No impairments were identified as a result of our impairment review performed annually during the fourth quarter of fiscal years 2018, 2017 and 2016.

Goodwill

Our reporting units for goodwill impairment testing purposes are Reynolds Cooking & Baking, Hefty Waste & Storage, Hefty Tableware and Presto Products. No instances of impairment were identified during the fiscal year 2018 annual impairment review. All of our reporting units had fair values that significantly exceeded recorded carrying values. However, future changes in the judgments, assumptions and estimates that are used in the impairment testing for goodwill as described below could result in significantly different estimates of the fair values.

In our evaluation of goodwill impairment, we have the option to first assess qualitative factors such as the maturity and stability of the reporting unit, the magnitude of the excess fair value over carrying value from the prior year’s impairment testing, other reporting unit operating results as well as new events and circumstances impacting the operations at the reporting unit level. If the result of a qualitative test indicates a potential for impairment, a quantitative test is performed, wherein we compare the estimated fair value of each reporting unit to its carrying value. In all instances where a quantitative test was performed, the estimated fair value exceeded the carrying value of the reporting unit and none of our reporting units were at a risk of failing the quantitative test. If the estimated fair value of any reporting unit had been less than its carrying value, an impairment charge would have been recorded for the amount by which the reporting unit’s carrying amount exceeds its fair value.

To determine the fair value of a reporting unit as part of our quantitative test, we use a capitalization of earnings method under the income approach. Under this approach, we estimate the forecasted Adjusted EBITDA of each reporting unit and capitalize this amount using a multiple. The Adjusted EBITDA amounts are consistent with those we use in our internal planning, which gives consideration to actual business trends experienced and the long-term business strategy. The selection of a capitalization multiple incorporates consideration of comparable entity trading multiples within the same industry and recent sale and purchase transactions. Changes in such estimates or the application of alternative assumptions could produce different results.

Indefinite-Lived Intangible Assets

Our indefinite-lived intangible assets consist of certain trade names. We test indefinite-lived intangible assets for impairment on an annual basis in the fourth quarter and whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If the carrying amount of such asset exceeds its estimated fair value, an impairment charge is recorded for the difference between the carrying amount and the estimated fair value. When a quantitative test is performed we use a relief from royalty computation under the income approach to estimate the fair value of our trade names. This approach requires significant judgments in determining (i) the estimated future branded revenue from the use of the asset; (ii) the relevant royalty rate to be applied to these estimated future cash flows; and (iii) the appropriate discount rates applied to those cash flows to determine fair value. Changes in such estimates or the use of alternative assumptions could produce different results. No instances of impairment were identified during the fiscal year 2018 annual impairment review. Each of our indefinite-lived intangible assets had fair values that significantly exceeded recorded carrying values.

Long-Lived Assets

Long-lived assets, including finite-lived intangible assets, are reviewed for possible impairment whenever events or changes in circumstances occur that indicate that the carrying amount of an asset (or asset group) may not be recoverable. Our impairment review requires significant management judgment, including estimating the future success of product lines, future sales volumes, revenue and expense growth rates, alternative uses for the assets and estimated proceeds from the disposal of the assets. We review business plans for possible impairment indicators. Impairment occurs when the carrying amount of the asset (or asset group) exceeds its estimated future undiscounted cash flows. When impairment is indicated, an impairment charge is recorded for the difference between the asset's carrying value and its estimated fair value. Depending on the asset, estimated fair value may be determined either by use of a discounted cash flow model or by reference to estimated selling values of assets in similar condition. The use of different assumptions would increase or decrease the estimated fair value of assets and would increase or decrease any impairment measurement.

Income Taxes

Prior to the closing of this offering, our U.S. operations have been included in a consolidated U.S. federal return as well as certain state and local tax returns filed by RGHL Group. We also file certain separate U.S. state and local and foreign income tax returns. The income tax expense (benefit) included in our combined statements of income has been calculated using the separate return basis. It is possible that we will make different tax accounting elections and assertions subsequent to our shares being issued to the public. Therefore, our income taxes, as presented in our combined financial statements included elsewhere in this prospectus, may not be indicative of our income taxes in the future. Where we have been included in the tax returns filed by RGHL Group, any income taxes payable resulting from the separate return basis have been reflected in our combined balance sheets in Net Parent deficit.

Considerable management judgment is necessary to assess the inherent uncertainties related to the interpretations of complex tax laws, regulations and taxing authority rulings.

Recent Accounting Pronouncements

New accounting guidance that we have recently adopted, as well as accounting guidance that has been recently issued but not yet adopted by us, is included in Note 2—Summary of Significant Account Policies of our annual combined financial statements included elsewhere in this prospectus.

BUSINESS

Overview

Our mission is to simplify daily life so consumers can enjoy what matters most.

We are a market-leading consumer products company with a presence in 95% of households across the United States. We produce and sell products across three broad categories: cooking products, waste & storage products and tableware. We sell our products under iconic brands such as Reynolds and Hefty, and also under store brands that are strategically important to our customers. Overall, across both our branded and store brand offerings, over 65% of our revenue for the year ended December 31, 2018 came from products where we hold the #1 U.S. market share position in the category, and in virtually all of our major product categories we hold either a #1 or #2 U.S. market share position by revenue. We have developed our market-leading position by investing in our product categories and consistently developing innovative products that meet the evolving needs and preferences of the modern consumer.

Our mix of branded and store brand products is a key competitive advantage that aligns our goal of growing the overall product category with our customers' goals and positions us as a trusted strategic partner to our retailers. Our Reynolds and Hefty brands have preeminent positions in their categories and carry strong brand recognition in household aisles. The combination of our store brand offerings, the shared goal of category growth and indispensable support in marketing, innovation, branding and promotions has enabled us to achieve the position of category captain level advisor across 29 customers, which represent 73% of U.S. category sales, based on Nielsen ACV in 2018.

Our leading brand portfolio

Our products are typically used in the homes of consumers of all demographics on a daily basis and meet the convenience-oriented preferences of today's consumer across a broad range of household activities. We help make daily life easier by assisting with preparation, cooking, mealtime and cleanup and by providing convenient storage and indoor/outdoor disposal solutions. Our diverse product portfolio includes aluminum foil, disposable bakeware, trash bags, food storage bags and disposable tableware. Our products are known for their quality, which is recognized by our consumers and retail partners alike. Our consumers know they can rely on our trusted brands. These factors generate loyalty which empowers us to develop and launch new products that expand usage occasions and transition our portfolio into adjacent categories.

We have strong relationships with a diverse set of customers including leading grocery stores, mass merchants, warehouse clubs, discount chains, drug stores, home improvement stores, military outlets and eCommerce retailers. Our customer relationships have been built on a long history of trust. Our portfolio of branded and store brand products allows our retail partners to manage multiple household aisles with a single vendor. Many of our products have had a prominent position on the shelves of major retailers for decades and have become an integral part of household aisles. We believe our strong brand recognition and customer loyalty lead to robust product performance.

As a category captain level advisor for many of our retail partners, we provide the insights retailers require to grow entire product categories. We provide our customers with category management expertise, including assortment analytics and promotion strategies, which is supported by innovation and consumer-focused insights. We believe that championing our categories helps cement our retailer relationships and will drive growth across all of our product lines. This approach, combined with our leading products, capabilities and service, further differentiates us from our competitors.

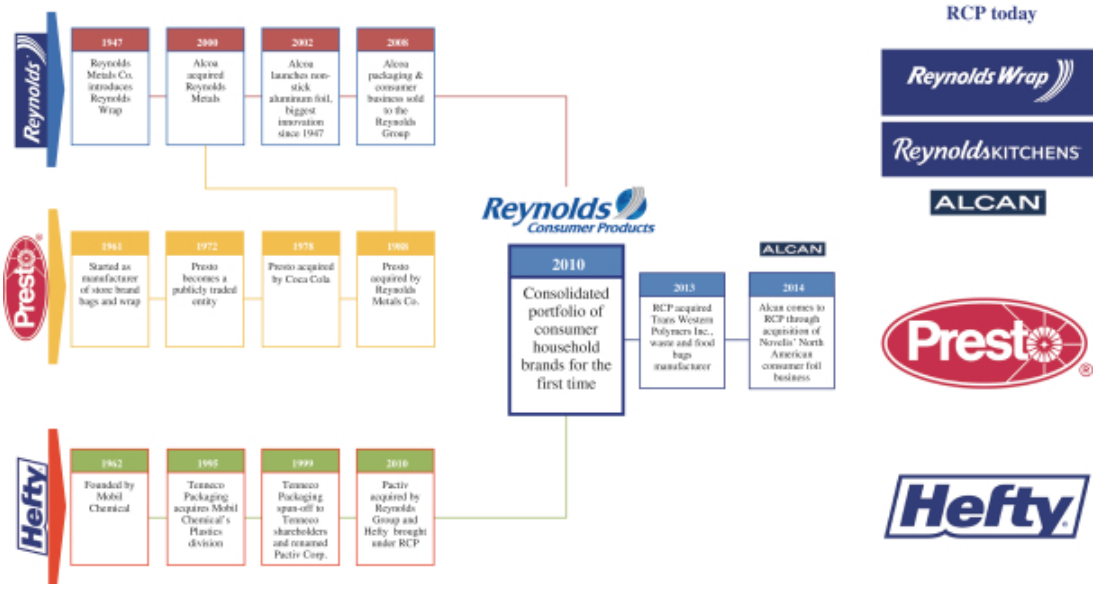
While our products have been trusted for generations, we place significant emphasis on constantly improving them. Innovation is a key component of our corporate culture and we aim to continually evolve across our segments through both the introduction of new features on our existing product portfolio and the development of new product solutions. Our objective is to generate 20% of our revenue each year from new products introduced within the prior three years. All of our key product lines include newly developed innovative products such as our Hefty Ultra Strong trash bags, Reynolds KITCHENS Slow Cooker Liners, Parchment Pop Up Sheets, 75% Unbleached Compostable Parchment Paper, Hefty branded party cups, store brand party cups and our Presto store brand square-shaped snack bags. We believe our commitment to innovation has driven our growth and is a key reason why consumers continue to choose our products.

We put safety first, treat people with respect and act ethically to operate a business that is sustainable for the long-term. We never compromise our values in the face of market forces and we remain committed to strong rules of governance. We strive to operate with respect for the environment, and we are committed to sustainability across three key areas: our product portfolio, supply chain and communities. We currently deliver sustainable solutions across all of our product lines and are focused on innovation that further develops the eco-friendly profile of our product portfolio.

We have an attractive financial profile with steady, organic revenue growth, robust margins and disciplined capital expenditures. These attributes allow us to generate significant free cash flow. In the year ended December 31, 2018, we generated $3.1 billion in revenue, $176 million in net income and $647 million in Adjusted EBITDA. For the nine months ended September 30, 2019, we generated $2.2 billion in revenue, $135 million in net income and $441 million in Adjusted EBITDA. Since 2014, our income from operations margin and Adjusted EBITDA margin have grown by 364 and 242 basis points to 16% and 21%, respectively, in the year ended December 31, 2018. We have driven margin expansion mainly through our consistent focus on improving operational efficiency, managing costs throughout the cycle and driving innovation. Our revenue, net income and Adjusted EBITDA in the year ended December 31, 2018 reflect a CAGR of 2.2%, 110.3% and 5.5%, respectively, since 2014. In the year ended December 31, 2018, we generated $530 million of net cash provided by operating activities and spent $82 million on capital expenditures. See “Prospectus Summary—Summary Historical and Unaudited Pro Forma Combined Financial Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—How We Assess the Performance of Our Business” for a reconciliation of Adjusted EBITDA to net income.

History

Each of our businesses and brands have long heritages, beginning over 70 years ago with the introduction of Reynolds Wrap aluminum foil in 1947 and subsequently the introduction of our Hefty waste and food storage bags in the 1960s. RCP was primarily formed through the combination of three businesses: the Reynolds cooking products business, the Presto waste and food storage bag business and the Hefty trash bag, food storage bag and tableware business. The graphic below shows a timeline of our history from 1947 to today.



Our 'Reyvolution' Culture

We have a unique corporate culture that aims to continually reinvent and optimize our business. We have formalized our approach into an ethos we refer to as 'Reyvolution.' Reyvolution is an all-encompassing way of thinking, planning and evaluating our operations to accelerate future growth through product innovation, process automation and cost reduction. Through this disciplined process and mindset, we aim to drive revenue growth, market share increases and margin expansion. We are focused on long-term planning and goal-setting strategies as well as our near term operating results. We believe it is critical to embrace new technology and, through this program, we have made significant investment across our business to accelerate optimization opportunities. Reyvolution is focused on four key areas:

- **Growth**—support our products and customers through a holistic approach to our categories
- **Innovation**—reinforce our existing product portfolio with new and on-trend products
- **Cost reduction**—optimize our processes to drive increased profitability
- **Automation**—continuously refine our manufacturing base to increase efficiency

Reyvolution includes a collective, cross-functional effort to drive growth across our business. This systematic program includes collaborative partnerships across our business units, monthly meetings with top executives and rigorous measurement of initiatives and progress against internal benchmarks. The program has yielded significant results both on the top and bottom line. From January 1, 2017 to September 30, 2019, the impact of Reyvolution was approximately $246 million of Adjusted EBITDA benefit. Of the total, $179 million was generated through cost savings across our businesses, with $67 million of Adjusted EBITDA being

generated through revenue initiatives. Our Reyvolution initiatives also include internal goals for innovation. Our objective is to generate 20% of our revenue from new products introduced within the prior three years. In fiscal year 2018, 21% of our revenue was generated from products that were less than three years old. Reyvolution will continue to impact everything we do on a daily basis.

Reyvolution success stories can be found across all of our business segments. For example, we have been able to leverage the success of the unique designs of our Hefty party cup to launch new innovative products. Within our Presto segment, we have incorporated consumer research and competitive insights to develop an “easy to grip and open” color grip opening zipper. Our focus on automation has led to the utilization of digital capabilities to significantly improve our operational efficiency and the effectiveness of our intelligent factories. Our dedication to continuous improvement has also been supported by strategic investments which allow us to utilize higher levels of post-consumer aluminum in our manufacturing processes at a lower cost.

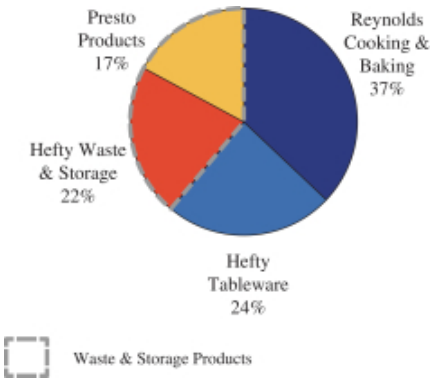
By achieving our objectives year-in and year-out, producing the highest quality and most convenient-to-use products and maintaining a commitment to the safety of our employees, we have built a company that is trusted by our customers, vendors, employees and, most importantly, the consumers who use our products.

Our Segments and Products

The pie charts below show the breakdown of our revenue for the fiscal year ended December 31, 2018 by our segments and products.

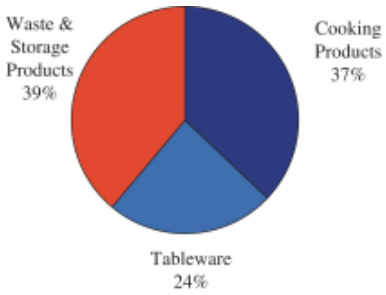
Our segments

FY2018 revenue



Our products

FY2018 revenue



Our Segments

We manage our operations in four reportable segments: Reynolds Cooking & Baking, Hefty Waste & Storage, Hefty Tableware and Presto Products.

- ***Reynolds Cooking & Baking***: Reynolds Cooking & Baking generated $1.2 billion in revenue and $234 million in Adjusted EBITDA (a 20% Adjusted EBITDA margin) for the year ended December 31, 2018 and has grown its revenue at a 4.7% CAGR from 2016 to 2018. Through our Reynolds Cooking & Baking segment, we produce branded and store brand foil, disposable aluminum pans, parchment paper, freezer paper, wax paper, plastic wrap, baking cups, oven bags and slow cooker liners. Our branded products are sold under the Reynolds Wrap, Reynolds KITCHENS and E-Z Foil brands in the United States and selected international markets, under the ALCAN brand in Canada and under the Diamond

brand outside of North America. With our flagship Reynolds Wrap products, we hold the #1 market position in the U.S. consumer foil market measured by revenue and volume. We have no significant branded competitor in this market. Reynolds is one of the most recognized household brands in the United States and has been the top trusted brand in the consumer foil market for over 70 years, with greater than 50% market share in virtually all of its categories. This sustained leadership provides us with a platform for continued product innovation and expansion into adjacent categories. Reynolds Wrap has been one of the most trusted household brands in the United States since 1947, and Reynolds has aided brand awareness of 98%, according to a 2015 brand awareness study.

- ***Hefty Waste & Storage***: Hefty generated $696 million in revenue and $172 million in Adjusted EBITDA (a 25% Adjusted EBITDA margin) for the year ended December 31, 2018 and has grown its revenue at a 1.8% CAGR from 2016 to 2018. Through our Hefty segment, we produce both branded and store brand trash and food storage bags. Our products are sold under the Hefty Ultra Strong, Hefty Strong Trash Bags, Hefty Renew and Hefty Slider Bags brands. Hefty is a well-recognized leader in the food storage bag and trash bag categories. We have the #1 market share in U.S. outdoor trash bags. Our robust product portfolio includes a full suite of indoor and outdoor and contractor bags. It also includes sustainable solutions such as blue and clear recycling bags, compostable bags, bags made from recycled materials and the Hefty EnergyBag Program.
- ***Hefty Tableware***: Tableware generated $757 million in revenue and $168 million in Adjusted EBITDA (a 22% Adjusted EBITDA margin) for the year ended December 31, 2018 and has grown its revenue at a 3.3% CAGR from 2016 to 2018. Through our Tableware segment, we sell both branded and store brand disposable and compostable plates, bowls, platters, cups and cutlery. Our Hefty branded products include dishes and party cups. Hefty branded party cups were the #1 party cup in America by market share as of September 28, 2019. Our branded products use our Hefty brand to represent both quality and great price, and we bring this same quality and value promise to all of our store brands as well. We sell across a broad range of materials and price points in all retail channels, allowing our consumers to select the product that best suits their price, function and aesthetic needs.
- ***Presto Products***: Presto generated $539 million in revenue and $85 million in Adjusted EBITDA (a 16% Adjusted EBITDA margin) for the year ended December 31, 2018 and has grown its revenue at a 2.8% CAGR from 2016 to 2018. Through our Presto segment, we primarily sell store brand products in four main categories: food storage bags, trash bags, reusable storage containers and plastic wrap. Presto is a market leader in food storage bags and differentiates itself by providing access to category management, consumer insights, marketing, merchandising and R&D resources. As a result, through Presto we had a 57% share of the U.S. store brand food storage bag category and a 26% share of the total category as of September 28, 2019. Our store brand products are national brand equivalent (or better) and we offer consumer-desired features, including compostable bags and products made with plant-based and recycled materials. Our Presto segment also includes our growing specialty business, which serves other consumer products companies by providing Fresh-Lock and Slide-Rite resealable closure systems. We have extended our innovative product technology from our food storage bag products and are growing it through this unique channel.

Our Products

Our portfolio consists of three main product groups: waste & storage products, cooking products and tableware. All of our key product lines include newly developed innovative products such as our Hefty branded Ultra Strong trash bags, Reynolds KITCHENS Slow Cooker Liners, Parchment Pop Up Sheets, 75% Unbleached Compostable Parchment Paper and compostable Hefty paper plates. We have the #1 branded market share in product categories that comprised over 65% of our total revenue in fiscal year 2018. We are also a leading store brand supplier in many of the same categories.

Our key product categories

	Waste & storage products	Cooking products	Tableware
FY18 revenue (in millions)	$1,226	$1,159	$757
FY16 – FY18 revenue CAGR	2.5%	4.7%	3.3%
Brands	Hefty, Presto, FreshLock, SLIDE-RITE, DIAMOND	Reynolds Wrap, Reynolds KITCHENS, ALCAN, DIAMOND, EZ Foil	Hefty
Products	 Indoor bags  Outdoor bags  Sustainable bags  Slider storage bags  Press-to-close storage bags  Reusable storage containers	 Aluminum foil  Aluminum bakeware  Parchment paper  Slow cooker liners  Oven bags  Freezer paper  Wax paper	 Party cups  Tableware  Sustainable tableware  Platters  Cutlery

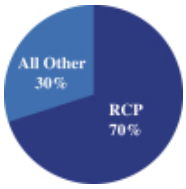
Our Competitive Strengths

Leading market positions in attractive consumer categories reinforced by well-recognized, iconic brands that resonate with consumers

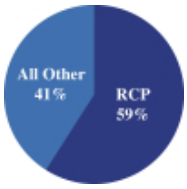
We hold the #1 or #2 market position by revenue in virtually all of our product categories and are well positioned to capitalize on their growth. Over 65% of our revenue comes from products that are #1 in their respective categories. We invest in both our branded and store brand products, which allows us to focus on growing the entire product category. We have preeminent market positions across both branded and store brand products with total market share of 44% across all of our major product categories for the 52 weeks ended September 28, 2019.

Leading market share in core categories across both branded and store brand
(% total combined market share for the 52 weeks ended September 28, 2019)

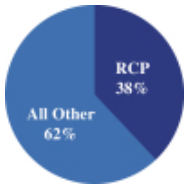
Aluminum foil
(Total category: $809 million)



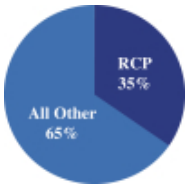
Convenience cooking
(Parchment, wax and freezer paper, slow cooker liners, oven bags and baking cups)
(Total category: $264 million)



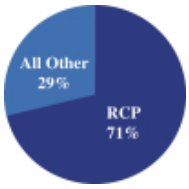
Trash bags
(Total category: $2,675 million)



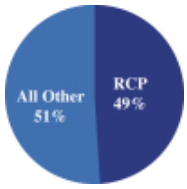
Food storage bags
(Total category: $1,638 million)



Foam dishes
(Total category: $741 million)



Plastic cups
(Total category: $595 million)



Source: Nielsen xAOC last 52 weeks ended September 28, 2019.

We participate in large and growing consumer product categories, with an average growth rate of 3.4% year-over-year from the 52 weeks ended September 29, 2018 to the 52 weeks ended September 28, 2019. Our categories continue to experience consistent growth, with foil and food storage bags growing at 4.6% and 2.0%, respectively, year-over-year from the 52 weeks ended September 29, 2018 to the 52 weeks ended September 28, 2019. Our categories are supported by strong demographic profiles, consumer demand for convenience and evolving consumer needs. We continue to drive category growth through our innovation driven new product development and relationships with leading retailers.

Our iconic brands, such as Reynolds and Hefty, have developed strong brand recognition within their categories. Our brands are recognized across all demographics and generations for their quality, strength and reliability. Reynolds Wrap has been one of the top trusted household brands in the United States since 1947. According to a 2015 brand awareness study, Reynolds Wrap has aided brand awareness of 98%. Additionally, Hefty has aided brand awareness of 95%, according to a 2017 brand awareness study.

Our brands have #1 positions across nearly all our categories

Category	Brand	Position	Brand share of total category
Aluminum foil (U.S.)	Reynolds Wrap	#1	64%
Aluminum foil (Canada)	ALCAN	#1	72%
Parchment paper	Reynolds Kitchens	#1	51%
Wax paper	Reynolds Kitchens	#1	59%
Slow cooker liners	Reynolds Kitchens	#1	77%
Oven bags	Reynolds Kitchens	#1	93%
Freezer paper	Reynolds Kitchens	#1	94%
Slider bags	Hefty	#1	34%
Party cups	Hefty	#1	22%
Foam dishes	Hefty	#1	43%
Trash bags	Hefty	#2	20%

Source: Nielsen xAOC last 52 weeks ended September 28, 2019.

Long-term strategic relationships with a diverse set of leading customers

Our customer relationships across leading grocery stores, mass merchants, warehouse clubs, discount chains, drug stores, home improvement stores, military outlets and eCommerce retailers are based on a long history of trust. With many of our customers, we have maintained an ongoing relationship since the inception of our Reynolds brand over 70 years ago. Our experienced sales force, which averages over 10 years of experience at RCP, and the superb service we provide our customers drive our superior levels of ongoing customer satisfaction. The majority of our products are made in the United States, and our strategically located national manufacturing footprint provides logistics advantages and certainty of supply for our retail partners. Our short supply chain relative to competitors and the vendor-managed inventory we offer our major customers are highly valued by our customers because it reduces the inventory they have to carry and limits product shortages.

We have over 70 years of technical knowledge about our products. We deploy this experience across our business segments to deliver custom innovation solutions. This, together with our low cost manufacturing capabilities and consistent product quality, enables us to provide our customers with a compelling value proposition. For example, in addition to our renowned branded products, our store brand products are subject to the same high degree of quality control as branded products and as a result consistently receive a “Pass” rating when tested against the national brands at third-party laboratories.

We work to make not only our individual products successful but also to provide our retail partners with the insights and recommendations they need to grow entire product categories. We provide our retailers with category management expertise that is supported by innovation and consumer focused insights and includes assortment and promotion strategies. Our ability to provide best-in-class shopper insights directly results in stronger customer loyalty.

We believe these value-added services differentiate us from our competitors and strengthen our customer relationships. This is evidenced by our relationships with our largest retail customers, who we partner with to sell our branded products and to produce their store brand products.

Demonstrated track record of new product development

We have a strong track record of innovation, focused on the addition of innovative features to our existing products and the development of new products that address consumers' unmet needs. Additionally, we strive to further enhance our core product portfolio. We are able to identify emerging consumer trends through our extensive consumer insights, allowing us to develop products with the features and functions that consumers are looking for. We believe we were the first to introduce a food storage bag, the first to introduce a slider closure on food storage bags, the first to introduce the drawstring trash bag, the first to introduce the "gripper" feature on trash bags, the first to add an unscented odor block feature to trash bags and the first to add non-stick coating to aluminum foil. We have a robust track record of developing and launching successful new products.

Hefty Ultra Strong	Reynolds KITCHENS Slow Cooker Liners	Store brand square snack bags
		
• Addresses top consumer dissatisfactions such as odors, drawstring breaks and bag tears	• Addresses key pain point of soaking/scrubbing the slow cooker	• Addresses consumer need for taller bags that can fit a larger assortment of snacks in terms of size and shape
• Utilizes Arm & Hammer patented odor neutralizer for revitalized scents	• BPA-free product that offers convenience for household meal preparation	• Unique square shape that is easier to fill and close and offers more optionality than rectangular bags
• Uses active tear-resistant technology and higher grade resin for stronger bags and improved performance	• Provides fast and easy clean up in seconds	• Multipurpose storage that seals in flavor and freshness for food items

We have invested considerable resources to develop proprietary products and efficient manufacturing capabilities and we actively protect our intellectual property. We have a significant number of registered patents and registered trademarks, including Reynolds and Hefty, as well as several copyrights, which, along with our trade secrets and manufacturing know-how, help support our ability to add value within the market and sustain our competitive advantages. We also look to partner with both our suppliers and customers to drive innovation through the entire supply chain.

As sustainability becomes more central to the consumer's purchasing decision, we remain focused on developing new eco-friendly products, and we are continuously investing in our capabilities to improve our ability to utilize recycled materials. We currently have environmentally friendly options across the vast majority of our product categories, such as compostable trash bags and store brand bags made from plant-based resins and recyclable materials. We believe we are well positioned to capitalize on these trends as aluminum, one of our

core inputs, is infinitely recyclable and is supported as a green, recoverable material. We have, for example, launched Reynolds Wrap 100% Recycled Foil into retail distribution and we have recently launched 75% Unbleached Compostable Parchment Paper. We have a strong pipeline of new products in development, many of which are part of our broader sustainability initiatives.

Innovation is a significant component of our culture and is further instilled through Reyvolution. We have devoted significant resources towards this endeavor and believe that our highly experienced R&D teams will remain on the cutting edge.

Well-invested manufacturing footprint that serves as a competitive moat

We have a robust and well invested manufacturing footprint which includes 17 manufacturing facilities and over 5,000 employees. Our facilities are strategically located across the United States and Canada, and the majority of our products are proudly made in the United States. Our low-cost and efficient manufacturing facilities enable us to optimize distribution, minimize lead times and reduce freight costs. This significant production base, built over decades, positions us well versus our competitive peer set. We estimate that it would require more than $2.5 billion to replicate our manufacturing assets, and we believe it would be exceedingly difficult to replicate our proprietary manufacturing know-how and in-house developed technology that enable us to run our facilities faster, with greater automation and with higher quality control. Our unique manufacturing capabilities enable us to produce a broad selection of differentiated products that help drive growth while providing a substantial barrier to entry.

Through Reyvolution, we are focused on lean manufacturing initiatives to reduce material usage, improve uptime and increase productivity across every site. We are heavily automated today and are committed to further investments in automation, including recent initiatives focused on the automation of repetitive manual tasks to increase operating efficiency and consistency, while protecting ourselves from labor fluctuations. Our automation processes and proprietary manufacturing technologies are difficult for competitors to replicate.

Our operations have significant scale and substantial vertical integration, which provides us with competitive advantages. Our substantial vertical integration gives us increased independence from suppliers and the ability to control costs more efficiently. It also partially insulates us from import volatility. We have a robust network of suppliers allowing us to be nimble in our input material purchasing.

Attractive financial performance with strong free cash flow generation

We have an attractive financial profile with steady organic revenue growth, strong margins and disciplined capital expenditures. These attributes allow us to generate robust free cash flow.

Since 2014, our income from operations margin and Adjusted EBITDA margin have grown by 364 and 242 basis points to 16% and 21%, respectively, in the year ended December 31, 2018. We have driven margin expansion mainly by managing costs, increasing our volumes and manufacturing efficiency and driving innovation. We are able to deliver attractive Adjusted EBITDA margins due to the high value-added nature of our products. We defend our margin position through innovation driven growth, cost savings and effective purchasing. The vertically integrated nature of our business provides further insulation for our margin profile.

We plan to continue leveraging Reyvolution to deliver incremental operational productivity savings, improve our business mix and increase the effectiveness of our sales force. Historically our business has relatively low capital expenditure requirements, averaging $60 million per year over the past three fiscal years, which drives our high rate of free cash flow conversion. We plan to continue to manage our costs, working capital and capital expenditures to deliver strong free cash flow.

Commitment to sustainability and values

We put safety first, treat people with respect and operate ethically to help ensure that we manage our business on a sound long-term foundation. We never compromise our values, regardless of market forces, and we

remain committed to strong rules of governance. We manage our business for long-term results, as evidenced by the robust Reyvolution initiative pipeline across all facets of our business. We believe corporate responsibility is the obligation of all employees. Our management team is committed to maintaining our culture, which has been an important component of our success.

We strive to operate with respect for the environment and are committed to sustainability across three key areas: our product portfolio, supply chain and communities. We engage with our employees and partner with our customers to explore sustainability topics like plant and distribution route efficiency. We participate at the forefront of emerging municipal programs that generate new community based solutions and also end-to-end recycling solutions with our Hefty EnergyBag Program in partnership with a key supplier. We are longstanding members of the Sustainable Packaging Coalition, an industry working group dedicated to a more robust environmental vision for packaging, and the Forest Stewardship Council through their voluntary program for responsible forest management. We are committed to using recycled, renewable, recyclable, compostable and other sustainable materials in our products, which drives our product-oriented sustainability initiatives. In 2018, 43% of the products that we sold in the United States were compostable, recyclable and/or made from recyclable material.

Management team with a strong track record of innovation-driven growth

We have a deep bench of talented managers led by Lance Mitchell, our President and Chief Executive Officer, who has over 35 years of industry experience. Both our CEO and CFO have played a pivotal role in the successful integration of the Reynolds and Hefty businesses. We have continued to assemble a leading team through strategic hires and have expanded our organizational capabilities in new product development. Through the lens of Reyvolution, our management team is focused on their vision for RCP, which includes a culture of innovation, excelling at quality and service, creating products people love and constantly evolving the business. Our management team's key accomplishments include integrating, developing and growing a company with a strong ethics-driven and safety-focused culture while still achieving best-in-class market share and strong financial results. In addition, we attribute our lower than industry standard turnover rates to our collaborative, trustworthy company culture and our unwavering commitment to safety and to our people. Our strong management team is well positioned to effectively manage the business into the future with a depth of talented and dedicated employees already primed to lead the next generation of RCP.

Our Business Strategies

Key elements of our business strategy include:

Champion our categories and grow with our customers

We participate in large consumer categories with strong household penetration. Our combined branded and store brand share is significant in our categories. Our products appeal to consumers of all demographics and have a multitude of usage occasions. Our scale across household aisles and ability to offer trusted branded and store brand products enable us to grow the overall category and has earned us the opportunity to provide category captain level advisor insights at the majority of our retail partners. Our respected and trusted category managers provide our customers with category management expertise, insight and analytics to help them drive consumer traffic and spending. Through marketing and consumer education strategies, both inside the store and out, we expand usage occasions and stimulate consumption. Our new product innovation drives incremental growth within our categories. These factors and our focus on offering a high quality portfolio of branded and store brand products provide tremendous value to our retailers versus our competition.

Continued investment behind our market-leading brand portfolio

We have iconic brands and a proven ability to innovate, which enable us to approach adjacencies strategically and enhance our brand relevance with consumers. We plan to continue our investment in marketing

and advertising to grow the revenues of our product offerings and the categories in which they participate. Our innovative approach to advertising, and early adoption of new channels such as digital, social media and experiential events, have addressed the full range of consumer constituents and resulted in powerful penetration growth, market share growth and increased usage occasions, even in some of our more mature categories. For example, we have worked closely with advertisers to integrate aluminum foil, parchment paper, slow cooker liners and oven bags into recipes, which has resulted in over 40,000 integrated online recipes which offer simplified solutions in the kitchen. Additionally, our successful Hefty advertising campaigns have driven a 5% market share growth in the trash bag category over the last four years. We have a strong competency in measuring, monitoring and improving the efficiency of our marketing spending through internal proprietary analytical techniques. We believe there is a significant opportunity to use our existing brand equity and expand into adjacent categories.

Strengthen presence across distribution channels

In addition to traditional grocery, we believe there is significant opportunity to expand within the club, home improvement, dollar-store and eCommerce channels across our full product portfolio. Building on Hefty's brand dominance in large trash bags, we have provided new consumer insights to the home improvement and club channels, which have generated growth and new distribution. For example, the introduction of the new Hefty Load 'n Carry product in the home improvement channel has energized Hefty's relationships with DIYers and generated significant interest from these retail partners. Additionally, we see opportunity for our Reynolds products in the home improvement and club channels, with recent new customer wins and SKU expansion driving future growth.

eCommerce penetration is expected to increase, due to the convenience of online ordering and subscription delivery, particularly for easy-to-ship household product categories. Given our strong relationship with online retailers, we are well-positioned to compete profitably and gain share in this growing channel. We provide both branded and private brand products through this channel, to address the consumer's need for convenience and value. Furthering our eCommerce strategy, we recently launched a full line of store brand aluminum foil, trash bags and food storage bags as the exclusive supplier to the eCommerce leader. Additionally, most of our products are compatible with the eCommerce channel because they are shelf stable and efficient to transport. The recurring nature of consumer purchase cycles for our products positions us well to capitalize on continued growth of grocery pickup and subscription services.

Finally, given our brand strength, technical expertise and the extensive use of products within our categories around the world, we see opportunities to selectively expand internationally. We currently sell to 54 countries around the world; however, this currently represents a small percentage of our annual revenue. During fiscal year 2018, North America represented 99% of our total sales. We estimate our addressable market outside the United States and Canada to be approximately $7.3 billion.

Drive growth through new and innovative products

We are an innovation driven company, and through Reyvolution, new product development plays a significant role in our growth strategy. Our innovation capabilities, combined with our investments in consumer-focused market research, will allow us to continue our track record of successful new product launches. We proactively collaborate with our retail partners on customized product innovation. Our product innovation pipeline focuses on use occasions including meals and snacks on-the-go as well as sustainability and the needs of the millennial consumer. Our objective is to generate 20% of our revenue each year from new products introduced within the prior three years. In fiscal year 2018, 21% of our revenue was generated from products that were less than three years old.

More recently, through Hefty, we launched a new Ultra Strong product line that takes advantage of our triple action technology, which Nielsen awarded the 2018 Innovation Award (one of only 25 nationally). Our Reynolds KITCHENS Parchment Pop Up Sheets and Presto store brand square-shaped snack bags have been

great successes with consumers, providing products better aligned with usage needs than the existing options on the shelf. Furthermore, Hefty sliders storage bags with the Stand & Fill feature, launched in 2019, are preferred over the competition by 73% of consumers.

We have focused much of our innovation efforts around sustainability, and we offer a broad line of products that are better for the planet. We are focusing on products made with recycled, renewable, recyclable and compostable materials. For example, we recently launched 75% Unbleached Compostable Parchment Paper and redesigned our Hefty party cups to reduce the plastic by 10% while maintaining strength.

Systematically improve operational efficiency and reduce cost

We have cultivated a continuous improvement mindset oriented towards cost reduction, productivity improvements and lean manufacturing. We are focused on improving the ways in which we develop and manufacture products with data-driven decision making and robust lean business principles. Deep manufacturing expertise across our portfolio provides us with trade secret manufacturing know-how that delivers technical advantages and a low-cost competitive position. Our scale enables us to purchase inputs efficiently and increases our purchasing flexibility. We have implemented a simplified go-to-market strategy that fully leverages our customer relationships and scale and reduces overhead. We also continue to invest in automating repetitive manual tasks to increase operating efficiency and consistency, while reducing our exposure to labor fluctuations. We use digital capabilities to significantly improve our operational efficiency and effectiveness. We have launched an “intelligent factory program” to establish an integrated, data-driven culture that transforms our operations through digitally-connected people, assets and processes.

Drive shareholder returns through balanced capital allocation

We believe our strong free cash flow enables us to invest in and grow our business organically, reduce our indebtedness and pursue strategic M&A to create value for our stockholders. We also expect to return capital to our stockholders through regular dividend payments. We expect to pay a regular quarterly cash dividend on our common stock, subject to declaration by our board of directors. For fiscal year 2020, we expect to pay a quarterly cash dividend of $0.223 per share. However, we expect the initial dividend for the quarter ending on March 31, 2020 to be a prorated cash dividend for the period beginning on the first day of trading of our common stock on Nasdaq and ending on the last day of that period. We expect this initial dividend to be approximately $0.15 per share. See “Dividend Policy” for additional details.

Our Industry

Waste & Storage Products

The U.S. waste and storage products category generated $4.3 billion of sales across Nielsen tracked channels in the last 52 weeks ended September 28, 2019. Waste and storage products include branded and store brand trash bags and food storage bags sold through our Hefty and Presto segments. The table below shows overall category size, recent growth and category share of store brand and branded in the waste and storage products category within the United States.

	Category size ($ million) last 52 weeks ended September 28, 2019	CAGR ‘16-last 52 weeks ended September 28, 2019	Category share	
			% Store Brand	% Branded
Trash bags	$ 2,675	0.7%	47%	53%
Food storage bags	$ 1,638	0.8%	46%	54%

Source: Nielsen xAOC 2016-last 52 weeks ended September 28, 2019.

We have leading market shares across the full suite of our trash and food storage bag products. Hefty trash bags can be found in 59% of all U.S. households. Through our Presto segment, we are the largest supplier of store brand food storage bags in the United States with a 57% share of the store brand market. Additionally, we have a 35% share of the overall branded and store brand market. Hefty led the slider bag segment with a 34% share. The table below shows our market share across the waste and storage products category.

	Branded			Total RCP		
	Revenues ($ million)	% of total category	Rank	Branded and Store Brand ($ million)	% of total category	Rank
Trash bags	$ 522	20%	#2	$ 1,008	38%	#1
Food storage bags	$ 143	9%	#2	$ 575	35%	#2

Source: Nielsen xAOC last 52 weeks ended September 28, 2019.

Within the trash bags category there is limited shelf space for multiple brands and significant investment is required to build brand equity with consumers. Our cost competitive manufacturing and effective marketing enable us to succeed in our product categories. In trash bags, consumers are increasingly purchasing bags with added features such as flex, drawstring and various scent choices. We deliver on these consumer trends and the consumer's desire for value and quality with our high performing product portfolio. "Better Bag, Better Value" is our operating philosophy and our competitive advantage.

Within food storage bags, consumers are migrating to higher-count pack sizes while seeking a right-sized bag to avoid waste. Additionally, consumers are trading up from traditional non-reclosable bags to products with more convenient closures such as press-to-close and sliders. Our success in this category is a result of high quality, scale, significant technical know-how and a competitive cost position.

We offer a wide range of sustainable solutions, including compostable bags and products made from plant-based and recycled materials. Our Hefty EnergyBag Program continues to expand, helping communities increase recycling rates and unlock the value of hard-to-recycle plastics by converting them into useful resources such as energy, fuel or durable building materials.

Cooking Products

Cooking products includes branded and store brand aluminum foil, aluminum bakeware and convenience cooking products, primarily sold through our Reynolds Cooking & Baking segment. Within the convenience cooking category, we sell parchment paper, slow cooker liners, oven bags, wax paper, freezer paper and baking cups. The overall cooking products category generated approximately $1.1 billion of sales in the U.S. across Nielsen tracked channels in the last 52 weeks ended September 28, 2019. The table below shows overall category size, recent growth and category share of store brand and branded in the cooking products category within the United States.

	Category size ($ million) last 52 weeks ended September 28, 2019	CAGR '16-last 52 weeks ended September 28, 2019	Category share	
			% Store Brand	% Branded
Foil (excl. foodservice)	$ 809	1.6%	35%	65%
Convenience cooking	$ 264	4.2%	28%	72%

Source: Nielsen xAOC 2016 – last 52 weeks ended September 28, 2019.

We have leading market shares in the U.S. across the cooking products category. Reynolds Wrap is the largest brand within the U.S. foil market and is nearly 50 times the size of all other foil brands combined. It is a renowned cooking aide, found in 82% of U.S. households according to a 1Q Panel survey fielded in July 2019. We have a leadership position within virtually all of our convenience cooking subcategories including a 93% share in branded oven bags, an 83% share in slow cooker liners, a 94% share in freezer paper and a 60% share in wax paper. Additionally, we compete on a limited basis in the growing $612 million bakeware category where we expect meaningful opportunities to grow. The table below shows our market share across the cooking products category.

	Branded			Total RCP		
	Revenues ($ million)	% of total category	Rank	Branded and Store Brand ($ million)	% of total category	Rank
Foil (excl. foodservice)	$ 515	64%	#1	$ 564	70%	#1
Convenience cooking	$ 144	55%	#1	$ 156	59%	#1

Source: Nielsen xAOC last 52 weeks ended September 28, 2019.

We solve key kitchen pain points for consumers by enabling speed and ease, eliminating mess, and enhancing the quality of meals. We foster a love for cooking by serving as a trusted “kitchen assistant”, which gives consumers confidence in the kitchen. Consumers are gravitating towards meals with simple ingredients and this trend aligns well with foil usage in single sheet pan meals and foil pouch cooking. Many consumers, including millennials, are avid grillers and desire high quality foil products that can withstand heat and enhance their cooking. Aluminum foil is infinitely recyclable and is supported as a green material. We have introduced Reynolds Wrap 100% Recycled Foil to meet consumers’ growing demand for sustainable products. We have approximately 80 new product ideas in the pipeline to further capitalize on this and other emerging consumer needs and preferences.

Tableware

Our Tableware products include branded and store brand disposable plates, cups, bowls, platters and cutlery. The disposable tableware category generated $4.5 billion of sales in the U.S. across Nielsen tracked channels in the last 52 weeks ended September 28, 2019 across disposable dishes, cups and cutlery. Within this group, we have leading market shares in plastic cups and foam dishes, which together accounted for $1.3 billion of sales in this category in the last 52 weeks ended September 28, 2019. We have significant space to grow in this category, and our strong brand equity in foam plates and plastic cups positions us well to grow in other category adjacencies by leveraging our customer relationships and innovation, as demonstrated by our recent launches of hot cup and compostable molded fiber products. The table below shows overall category size, recent growth and category share of store brand and branded in the tableware products category within the United States.

	Category size ($ million) last 52 weeks ended September 28, 2019	CAGR ‘16-last 52 weeks ended September 28, 2019	Category share	
			% Store Brand	% Branded
Disposable dishes	$ 2,987	3.5%	59%	41%
Foam dishes	$ 741	(0.4%)	55%	45%
Disposable cups	$ 963	(0.2%)	60%	40%
Plastic cups	$ 595	(0.2%)	68%	32%
Party cups	$ 334	0.3%	63%	37%

Source: Nielsen xAOC 2016 last 52 weeks ended September 28, 2019.

The Hefty Party Cup was the #1 branded party cup in America with 22% market share, driven both by the iconic red party cup as well as our seasonal color cups for summer and holiday entertaining. Within this category, everyday occasions account for the largest percentage of disposable tableware use as time-starved consumers seek to alleviate the daily stress of washing the dishes, while sharing meals with friends and family, at home or on-the-go. Consumer satisfaction among heavy users of our products is very high. In addition to our strong Hefty branded portfolio we also collaborate with our customers as a full service store brand supplier across the disposable tableware aisle. The table below shows our market share across the tableware category.

	Branded			Total RCP		
	Revenues ($ million)	% of total category	Rank	Branded and Store Brand ($ million)	% of total category	Rank
Disposable dishes	$ 326	11%	#2	$ 529	18%	#3
Foam dishes	$ 322	43%	#1	$ 525	71%	#1
Disposable cups	$ 83	9%	#3	$ 296	31%	#2
Plastic cups	$ 79	13%	#2	$ 291	49%	#1
Party cups	$ 73	22%	#1	$ 163	49%	#1

Source: Nielsen xAOC last 52 weeks ended September 28, 2019.

Our ability to compete across both branded and store brand products allows us to grow with the category and deliver a differentiated suite of category management insights, product development leadership and innovation to our customers. We continue to see opportunities for growth within tableware by expanding penetration of existing channels and capitalizing on our strong brand equity to expand into adjacent growth categories, such as hot cups, compostable molded fiber dishes and Elegantware® tableware for home entertainment.

Our product innovation pipeline focuses on usage occasions, including meals and snacks on-the-go, as well as the needs of the millennial consumer. We offer eco-friendly options across our portfolio, such as our compostable Hefty paper plates and our plastic cups made with 30% post-consumer recycled PET. We have redesigned cups to decrease the amount of material by 10% in each cup while maintaining functionality and are expanding our offering of renewable and compostable products as part of our broader sustainability initiatives.

Sustainability

We are committed to corporate responsibility and strive to maintain strong and transparent environmental, social and governance practices. Our sustainability efforts are led by a sustainability committee, which is comprised of a cross functional group of employees who receive senior-level input. This committee is responsible for promoting RCP initiatives across segments and engaging with our employee base. We strive to bring the best sustainability solutions to our customers by partnering with them to support their initiatives through our innovative portfolio of products, industry-leading insights, and state-of-the-art manufacturing facilities. RCP has a comprehensive approach to sustainability that is focused on the following three key areas.

Product Portfolio

We offer sustainable and eco-friendly products across our portfolio. We are focused on sustainable innovation and offer a broad line of eco-friendly products made with recycled, renewable and compostable materials. We have launched several eco-friendly products including recycled aluminum foil and unbleached compostable parchment paper, compostable tableware, and plant-based resin food storage bags. We continue to devote resources towards sustainability research and believe this will allow us to stay on the cutting edge. For example, we have found ways to expand aluminum scrap utilization and have developed unique foam

alternatives. In addition, through operational initiatives, we reduced the amount of plastic in each Hefty party cup by 10%, saving 2.7 million pounds of plastic annually while maintaining product strength and quality. Furthermore, our products provide efficient food storage solutions that preserve leftovers and reduce food waste.

Supply Chain

We have developed an end-to-end approach to reduce our carbon footprint and support increased use of renewable and recycled materials across our supply chain. Our sustainable supply chain strategy is centered on the utilization of better materials through proprietary development, better product design, efficient shipments of products and continuous process improvement. Through our Reyvolution program we have developed projects focused on using recycled aluminum in our Hot Springs, Arkansas aluminum casting facility. We have also developed plant and office initiatives focused on material recycling, collection and after-life usage of, for example, oil, metal, corrugate and resin. Additionally, we have long-standing programs focused on energy efficiency, emission reduction, waste water management and landfill minimization. For instance, we have recently invested heavily in air compressor energy efficiency and LED lighting. We were one of the first to switch to more compact packaging from cut-and-fold to bag-on-a-roll technology, which reduced packaging materials by 45%, decreased shipping cube per order by 30% and increased shelf display capacity by 25%. We also partner with key suppliers to identify renewable and recyclable materials, develop sustainable capabilities, and identify end markets that facilitate the recycling process overall. We work with our suppliers to develop closed loop resin recycling paths and with municipalities to increase recycling.

Communities

We seek to promote sustainable communities through our products. We encourage employees to identify sustainable solutions, support community outreach especially in the communities near our facilities, lead by example and educate themselves and others about sustainability overall. Our efforts to expand these programs are focused on adding communities to the program and developing demand for post-consumer recycled plastics. We also continue to expand our Hefty EnergyBag Program which now serves over 500,000 households, turning hard to recycle plastics into useful items such as AgFuel, railroad ties and park benches.

We are also proud members of the Sustainable Packaging Coalition, an industry working group dedicated to a more robust environmental vision for packaging. We have included the How2Recycle labelling on our packaging since 2016, which helps encourage recycling behavior of consumers through clear, concise labelling. We also support the Forest Stewardship Council (“FSC”) by participating in their voluntary program for responsible forest management. The FSC is supported by the World Wildlife Fund, the Sierra Club, Greenpeace, the Resources Defense Council and the National Wildlife Federation. We have the FSC certification on all of our parchment items, as well as wax paper sandwich bags.

Customers

Our customer base includes leading grocery stores, mass merchants, warehouse clubs, discount chains, dollar stores, drug stores, home improvement stores, military outlets and eCommerce retailers. We sell both branded and store brand products across our customer base. We generally sell our branded products pursuant to informal trading policies and our store brand products under one year or multi-year agreements. Sales to our top ten customers accounted for 69%, 68% and 67% of our total revenue in fiscal years 2018, 2017 and 2016, respectively. Walmart accounted for 28%, 27% and 26% and Sam’s Club accounted for 12%, 12% and 12% of our total revenue in fiscal years 2018, 2017 and 2016, respectively. Sales to Walmart are concentrated more heavily in our Hefty Waste & Storage segment, and sales to Sam’s Club are concentrated more heavily in our Tableware segment.

During fiscal year 2018, North America and the United States represented 99% and 98% of our total sales, respectively.

Sales, Category Management and Marketing

Through our sales and marketing organization, we are able to manage our relationships with customers at the national, regional and local levels, depending on their needs. We believe that our dedicated sales representatives, category management teams and our participation in both branded and store brand products create a significant competitive advantage.

Sales

We have a direct sales force organized by customer type, including national accounts, regional accounts and eCommerce. Our sales force is responsible for sales across each of our segments and our portfolio of branded and store brand products. We have a best-in-class sales organization comprised of approximately 100 experienced professionals who are committed to providing exceptional service to our customers. We take pride in the average tenure of our sales force of over 10 years at RCP, low turnover rate, relevant industry experience and data-driven sales process. We complement our internal sales platform by selectively utilizing third-party brokers for certain products and customers. In addition to sales professionals, each of our top 20 customers has a dedicated customer support team, including customer service representatives, category management teams and a logistics and transportation team.

Category Management

We provide our customers with category management expertise across household aisles, including merchandising, assortment, pricing, promotion strategies, points of distribution and on-shelf placement, supported by market intelligence and consumer-focused insights. Category managers act as advisors to customers, providing support to retailers on overall SKU strategy and brand/product selection. We implemented this strategy upon creation of the combined Reynolds Consumer Products business in 2010 and have since achieved this premier category captain level advisor position at 29 retailers. These 29 retailers represent 73% of ACV across total U.S. retailers (xAOC), as defined by Nielsen. We believe this value-added service differentiates us from our competitors and strengthens our customer relationships. In addition, this service lends us credibility as an unbiased advisor to customers and leverages our focus on category growth. Today we have 23 category managers serving all of our customers.

Marketing

Each of our segments has its own marketing team, focused on growth through product development, innovation, promotion, pricing and advertising. We apply our marketing expertise to both our brands and store brand products. We engage with consumers across nearly every marketing channel, including experiential, social media platforms, sports marketing and public relations in addition to traditional media advertising. Our marketing teams also lead insightful consumer market research, which fuels our innovation process. We have an in-house visual branding team that executes rapid graphics changes across both our branded and store brand products. These in-house capabilities allow us to serve our customers better and bring new products to market more efficiently.

New Product Development

In fiscal year 2018, we generated 21% of our revenue from new products that were launched in the prior three years. Our new product development is an integrated, continual process, with collaboration across teams, including research and development, marketing, category management and engineering. Through our investments, we have generated increased revenue and a portfolio of intellectual property assets including approximately 750 patents globally. Research and development costs were $29 million, $27 million and $30 million for the fiscal years 2018, 2017 and 2016, respectively. Our new product development process is

customer centric and profit-driven. Our new product development team leverages extensive work and data from our marketing team. We believe that innovation should be centered on consumer needs and wants, identified through extensive market research and testing. Our continuous reinvention of our core products, development of new products, expansion into adjacent categories and consistent collaboration and partnership with our customers enable us to remain a leader in our categories.

Competition

The U.S. household consumer products market is mature and highly competitive. Our competitive set consists of consumer products companies, including large and well-established multinational companies as well as smaller regional and local companies. These competitors include The Clorox Company, S.C. Johnson & Sons, Inc., Poly-America, Handi-Foil Corporation, Republic Plastics, Ltd., Trinidad Benham Corporation, Inteplast Group, Ltd. and Dart Container Corporation. Within each product category, most of our products compete with other widely advertised brands and store brand products.

Competition in our categories is based on a number of factors including price, quality and brand recognition. We benefit from the strength of our brands, a differentiated portfolio of quality branded and store brand products, as well as significant capital investment in our manufacturing facilities. We believe the strong recognition of the Reynolds brand and Hefty brand among U.S. consumers gives us a competitive advantage. In addition, our largest customers choose us for our customer service, category management services and commitment to “Made in the U.S.A.” products.

Seasonality

Portions of our business are moderately seasonal. Overall, our strongest sales are in our fourth quarter and our weakest sales are in our first quarter. This is driven by higher levels of sales of cooking products around major U.S. holidays in our fourth quarter, primarily due to the holiday use of Reynolds Wrap, Reynolds Oven Bags and Reynolds Parchment Paper. Our tableware products generally have higher sales in the second quarter of the year, primarily due to outdoor summertime use of disposable plates, cups and bowls.

Manufacturing and Distribution

We have demonstrated manufacturing expertise in casting, spooling, converting, resin extrusion, injection molding, machining, joining and thermoforming. We operate 16 manufacturing facilities strategically located across the United States and one manufacturing facility located in Canada. This allows us to optimize distribution and minimize lead times and freight costs. Virtually all of our manufacturing plants are dedicated to one of our segments. We are the only integrated aluminum foil manufacturer in North America, processing aluminum from ingot to the finished good. Our manufacturing processes in cooking and waste and storage products are also vertically integrated from resin pellets to the finished goods. We utilize third party manufacturers for certain products for which we do not have in-house manufacturing expertise. We also maximize our manufacturing facilities by contracting out excess capacity, for example by selling rolled aluminum from our Malvern facility to third parties.

We utilize two routes of distribution to deliver our products to our customers. In many cases, we ship directly from our warehouses to the customer distribution center. Given the breadth of our product offerings, we are also able to optimize truckloads and reduce inventory for our retail partners by shipping trucks from third-party mixing centers filled with SKUs across all of our product categories. Approximately 60% of all orders are delivered from a mixing center and our remaining orders are shipped directly from our manufacturing facilities.

Raw Materials and Suppliers

We have a diverse supplier base, and are not reliant on any single supplier for our primary raw materials, including polyethylene, polystyrene and aluminum. In fiscal year 2018, the total value of raw materials we consumed was $1,489 million and represented 64% of our total cost of sales, excluding depreciation and amortization. Plastic resins accounted for 39% of raw material costs for the year, while aluminum and other metal-related components collectively accounted for 29%. We also purchase raw material additives, secondary packaging materials and finished products for resale. We source a significant majority of our resin requirements from domestic suppliers. We have a track record of actively managing and/or successfully passing along to customers raw material price fluctuations. We also enter into hedging agreements at the request of certain customers who want to mitigate the risk of changes in raw material costs in their product pricing.

Centralized purchasing enables us to leverage the global purchasing power of our operations and reduces our dependence on any one supplier. We generally have one to two year contracts with resin suppliers and multi-year contracts with aluminum suppliers, which have historically provided us with a steady supply of raw materials. In certain instances, we purchase selected finished goods from third-party suppliers to supplement capacity and source specialty items. We have not historically experienced any significant interruptions of key raw material supplies.

Product Quality Management

Our segments each maintain end-to-end quality procedures through strong corporate leadership, comprehensive integrated quality controls across manufacturing operations, collaboration with suppliers and contract manufacturers, analytical capabilities and physical property testing. We have continuous improvement programs focused on cost reduction, productivity enhancements and improving product quality. Our store brand products are subject to the same degree of quality control as our branded products and many have “national brand equivalent” certification from third parties. Ensuring product quality is essential to brand equity and consumer trust. We use a six sigma methodology to measure the quality of our products, as well as receiving customer feedback through in home tests, interviews and complaint monitoring. Our commitment to quality has driven reductions in year-over-year consumer complaint rates across all of our segments, including a 38% reduction in Reynolds Wrap and store brand aluminum foil, an 18% reduction in our ALCAN aluminum foil, a 49% reduction in our bakeware products and a 35% reduction in Hefty party cups.

Furthermore, our manufacturing operations are designed to achieve the highest degree of product safety through disciplined control of primary materials and retail traceability of products. Supplier controls that are in place throughout our facilities aim to ensure product and process controls, a safe and healthy work environment, environmental compliance and product safety. We review our facilities at least annually for full compliance, and appropriate remediation procedures are taken if necessary. Our high workforce engagement and industry leading safety rates at plants reflect our commitment to the safety and well-being of our employees. Safety is a top priority in all aspects of our business, and we continue to make steady improvements in safety metrics. For instance, we had an Occupational Health and Safety Administration Recordable Incident Rate of under 1.00 for the last three years (as compared to an industry average of 3.5), with a 20% improvement from prior years.

Intellectual Property

We have a significant number of registered patents and registered trademarks, including Reynolds and Hefty, as well as several copyrights, which, along with our trade secrets and manufacturing know-how, help support our ability to add value within the market and sustain our competitive advantages. We have invested a considerable amount of resources in developing proprietary products and manufacturing capabilities, and we employ various methods, including confidentiality and non-disclosure agreements with third parties, employees and consultants, to protect our intellectual property. While in the aggregate our patents are of material importance to us, we believe that we are not dependent upon any single patent or group of patents.

Other than licenses for commercially available software, we do not believe that any of our licenses from third parties are material to us taken as a whole. We do not believe that any of our licenses to intellectual property rights granted to third parties are material to us taken as a whole.

Employees

As of September 30, 2019, we employed approximately 5,000 people located primarily in our U.S. and Canada manufacturing facilities. Approximately 24% of our employees are covered by collective labor agreements. We have not experienced any significant union-related work stoppages over the last ten years. We believe our relationships with our employees and labor unions are satisfactory.

Information Systems

We utilize predominantly commonplace commercially available third-party technology and systems to support our operations, including for financial reporting, inventory management, customer and supply chain management and category management.

A single enterprise resource planning ("ERP") ecosystem is used by all of our facilities for operations, procurement, receiving, warehousing, inventory management and order processing. Our ERP environment provides us with the ability to transact with customers and vendors in real time, optimize manufacturing in support of our demand signals and order cycles, efficiently process orders and shipments and manage inventory. We also use targeted information technology systems and analytics to support business intelligence and processes across our sales channels, including in relation to trade management, industry trends, demand forecasting and segment planning and reporting.

We continue to innovate and invest in information systems and technology to enhance the customer experience, drive sales and create operating efficiencies. Over the last five years, we have consolidated acquired facilities into our common ERP landscape, and added modern analysis systems that provide us additional functionality and scalability in order to better support operational and financial decision-making, using the latest data management technology. These investments also include a specific focus on in-plant real-time analysis in support of differentiated operational efficiency and production quality. We believe our existing systems are scalable to support future growth.

Principal Properties

Our corporate headquarters are located in Lake Forest, Illinois. In addition, our production and distribution network consists of 16 manufacturing facilities in the United States and one manufacturing facility in Canada, which are used to produce the products sold in all four of our business segments. The following table sets forth the location, use, size, whether owned or leased and lease expiration date, if applicable, of our principal properties:

Location	Use	Square Footage	Owned / Lease Expiration
1900 W. Field Court, Lake Forest, Illinois	Headquarters	70,400	December 31, 2029
6500 Tomken Road, Mississauga, Ontario	Manufacturing and Warehouse	67,757	June 28, 2029
1333 Highway 270, Malvern, Arkansas	Manufacturing	307,627	Owned
1000 Diamond Avenue, Red Bluff, California	Manufacturing and Warehouse	260,551	Owned

Location	Use	Square Footage	Owned / Lease Expiration
2226 East Morton Avenue, Jacksonville, Illinois	Warehouse	319,506	Owned
2226 East Morton Avenue, Jacksonville, Illinois	Manufacturing	355,000	Owned
500 East Superior Avenue, Jacksonville, Illinois	Manufacturing	490,000	Owned
777 Wheeling Road, Wheeling, Illinois	Manufacturing and Warehouse	460,336	Owned
3041 Wilson Avenue, Louisville, Kentucky	Warehouse	307,250	January 31, 2023
2827 Hale Road, Louisville, Kentucky	Manufacturing	650,000	Owned
14201 Meacham Farm Drive, Huntersville, North Carolina	Warehouse and Manufacturing	582,980	November 30, 2027
63 Green Mountain Road, Hazelton, Pennsylvania	Warehouse	205,622	June 30, 2022
31 Progress Avenue, Tamaqua, Pennsylvania	Manufacturing	110,000	Owned
2625 Beltline Road, Carrollton, Texas	Manufacturing and Warehouse	410,000	December 31, 2021
3000 Pegasus Drive, Temple, Texas	Manufacturing	239,072	Owned
2412 Wilsonart Drive, Temple, Texas	Warehouse	250,000	March 31, 2023
1110 East 200 Street, Lewiston, Utah	Manufacturing and Warehouse	182,200	Owned
2001 Reymet Road, Richmond, Virginia	Manufacturing	470,000	Owned
2225 Philpott Road, South Boston, Virginia	Manufacturing and Warehouse	252,000	Owned
670 North Perkins Street, Appleton, Wisconsin	Manufacturing	465,337	Owned
1919 West College Avenue, Appleton, Wisconsin	Warehouse	152,000	February 1, 2030
1999 Royalton Street, Waupaca, Wisconsin	Manufacturing	45,000	Owned
204 East Third Avenue, Weyauwega, Wisconsin	Manufacturing and Warehouse	178,850	Owned

We believe that all of our properties are in good operating condition and are suitable to adequately meet our current needs.

Regulatory

As many of our products are used in food packaging, our business is subject to regulations governing products that may contact food in all the countries in which we have operations. Future regulatory and legislative change can affect the economics of our business activities, lead to changes in operating practices, affect our customers and influence the demand for and the cost of providing products and services to our customers. We have implemented compliance programs and procedures designed to achieve compliance with applicable laws and regulations, and believe these programs and procedures are generally effective. However, because of the complexity of these laws and regulations and the multinational scope of our business, compliance cannot be guaranteed.

We are subject to various national, state, local, foreign and international environmental, health and safety laws, regulations and permits. Among other things, these requirements regulate the emission or discharge of materials into the environment, govern the use, storage, treatment, disposal and management of hazardous substances and wastes, protect the health and safety of our employees, regulate the materials used in and the recycling of our products and impose liability, which can be strict, joint and several, for the costs of investigating and remediating, and damages resulting from, present and past releases of hazardous substances related to our current and former sites, as well as at third party sites where we or our predecessors have sent hazardous waste for disposal. Many of our manufacturing facilities require environmental permits, such as those limiting air emissions. Compliance with these permits can require capital investment and, in some cases, could limit production.

In addition, a number of governmental authorities, both in the United States and abroad, have considered, and are expected to consider, legislation aimed at reducing the amount of plastic waste. Programs have included banning certain types of products, mandating certain rates of recycling and/or the use of recycled materials, imposing deposits or taxes on plastic bags and packaging material and requiring retailers or manufacturers to take back packaging used for their products.

Moreover, as environmental issues, such as climate change, have become more prevalent, governments have responded, and are expected to continue to respond, with increased legislation and regulation, which could negatively affect us. For example, the United States Congress has in the past considered legislation to reduce emissions of greenhouse gases. In addition, the Environmental Protection Agency is regulating certain greenhouse gas emissions under existing laws such as the Clean Air Act. A number of states and local governments in the United States have also announced their intentions to implement their own programs to reduce greenhouses gases. These initiatives may cause us to incur additional direct costs in complying with any new environmental legislation or regulations, such as costs to upgrade or replace equipment, as well as increased indirect costs that could get passed through to us resulting from our suppliers and customers also incurring additional compliance costs.

Legal Proceedings

From time to time, we are a party to various claims, charges and litigation matters arising in the ordinary course of business. Management and legal counsel regularly review the probable outcome of such proceedings. We have established reserves for legal matters that are probable and estimable, and at September 30, 2019 and December 31, 2018 and 2017, these reserves were not significant. While we cannot feasibly predict the outcome of these matters with certainty, we believe, based on examination of these matters, experience to date and discussions with counsel, that the ultimate liability, individually or in the aggregate, will not have a material adverse effect on our business, financial position, results of operations or cash flows.

MANAGEMENT

Executive Officers and Directors

The following table presents the names of the current executive officers, directors and director nominees.

Name	Age	Position
Executive Officers		
Lance Mitchell	60	President and Chief Executive Officer
Michael Graham	57	Chief Financial Officer
Francis Arseneault	43	President, Hefty Waste & Storage
Stephan Pace	57	President, Walmart/Sam's and eCommerce
Craig Cappel	48	President, Reynolds Cooking & Baking
Rachel Bishop	45	President, Hefty Tableware
Judith Buckner	50	President, Presto Products
Directors		
Lance Mitchell	60	Director
Gregory Cole	56	Director
Thomas Degnan	71	Director
Helen Golding	57	Director
Marla Gottschalk	59	Director Nominee
Richard Noll	62	Director Nominee and Chairman of the Board of Directors

Executive Officers

Lance Mitchell (Class III Director)

Mr. Mitchell has served as RCP's President and Chief Executive Officer since 2011 and as a member of RCP's board of directors since October 2019. From 2006 to 2011, Mr. Mitchell served as President of Closure Systems International (part of RGHL Group since 2008). Mr. Mitchell worked at Owens Corning Fiberglas Corporation from 1981 to 1986 in a variety of sales and marketing positions and from 1986 to 2005 he served in a variety of management positions at Avery Dennison Corporation, BF Goodrich, The Geon Company and PolyOne Corporation. Mr. Mitchell received a B.S. in Business from Bowling Green State University. Mr. Mitchell was selected to serve on our board of directors because of the perspective, management, leadership experience and operational expertise in our business that he has developed as our Chief Executive Officer.

Michael Graham

Mr. Graham has served as RCP's Chief Financial Officer since 2016. Mr. Graham joined RCP after serving as the CFO of Graham Packaging (part of RGHL Group) from 2011 to 2016. Prior to joining Graham Packaging, Mr. Graham led and managed several merger and integration activities for RGHL and served as CFO of Reynolds Packaging from 2008 to 2010, collaboratively leading the integration of Reynolds Packaging into RGHL. Mr. Graham served as Group Controller and CFO of Alcoa's Flat Rolled & Extruded Aluminum Group from 2004 to 2007. From 1986 to 2003 Mr. Graham served in a variety of management positions at Honeywell International Inc. and AlliedSignal, Avaya Communications and General Mills, Inc. Mr. Graham received a B.A. in Finance from Howard University.

Francis Arseneault

Mr. Arseneault has served as RCP's President of Hefty Waste & Storage since 2019. Prior to this role, he served as President of Presto Products from 2014 to 2019. Mr. Arseneault's previous experience includes roles of

increasing responsibility in sales and marketing in the Canadian division of Alcoa Reynolds from 2001 to 2004 and from 2006 to 2010, and as General Manager of RCP's international business from 2010 until joining Presto Products in 2014. Mr. Arseneault received a B.Sc. in Marketing and International Business from the HEC Montreal business school of the University of Montreal.

Stephan Pace

Mr. Pace has served as RCP's President of Walmart/Sam's and eCommerce since 2015. Prior to this role, Mr. Pace served as RCP's Chief Customer Officer and Senior Vice President of Sales beginning in 2010. He served as Vice President of Sales for Pactiv's Consumer Products Division prior to RGHL's acquisition of Pactiv in 2010. Mr. Pace joined Pactiv in 2001 and held several senior management positions. Prior to joining Pactiv, he served in a variety of sales and marketing roles at Unilever plc and Procter & Gamble Company. Mr. Pace received a B.A. in Economics from Wesleyan University. He serves on the Board of Advisors for Tierra Nueva Fine Cocoa, d/b/a The Whole Coffee Company.

Craig Cappel

Mr. Cappel has served as RCP's President of Reynolds Cooking & Baking since 2018. From 2015 to 2018, he served as President of Hefty Tableware. From 2013 to 2015, Mr. Cappel served as the Chief Procurement and Technology Officer for RGHL Group, leading global sourcing and technology across multiple businesses. From 1997 to 2013, Mr. Cappel was with Pactiv as Vice President of Business Development and Innovation and various other leadership roles across innovation, engineering technology, new business development and business management. From 1994 to 1997, he served as an engineer at TE Connectivity, Ltd. (formerly Amp Incorporated). Mr. Cappel received a B.S. from the College of Engineering Technology at the Rochester Institute of Technology and an M.S. in Product Design and Development Management from Northwestern University.

Rachel Bishop

Ms. Bishop has served as RCP's President of Hefty Tableware since 2019. Prior to joining RCP, she served as Chief Strategy Officer from 2014 to 2017 and President, Snacks from 2017 to 2019 at TreeHouse Foods, Inc. Ms. Bishop was at The Walgreen Company from 2009 to 2014 where she most recently served as Group Vice President of Retail Strategy. From 2001 to 2009, Ms. Bishop was at McKinsey & Company, where she worked with consumer businesses on a broad range of sales, marketing, and operational topics with a focus on growth strategy development and implementation. Ms. Bishop earned a Ph.D in Materials Science and Engineering with a minor in Technology Management from Northwestern University. She holds B.S. degrees in Materials Science and Engineering and in Geophysics from Brown University.

Judith Buckner

Ms. Buckner has served as RCP's President of Presto Products since 2019. She previously served as Senior Vice President, Business Transformation of RCP from 2017 to 2019. Ms. Buckner first joined RCP in 2000 as an Engineering Manager and has held various other leadership roles including Director of Manufacturing, Plant Manager, Director of Engineering and New Product Development and Vice President of Operations and Engineering. Her prior experience includes various engineering and leadership roles in product development and operations at Hoechst-Celanese/Invista from 1991 to 2000. Ms. Buckner earned a B.S. in Chemical Engineering from Purdue University.

Directors and Director Nominees (who are not Executive Officers)

Gregory Cole (Class II Director)

Mr. Cole has been a member of RCP's board of directors since October 2019. He has served as a senior executive of Rank Group since 2004. From 1994 to 2004, Mr. Cole was a partner with Deloitte Touche

Tohmatsu, which he joined in 1986. Mr. Cole is currently a director of RGHL, where he serves as the Chairman of its audit committee, Rank Group and other entities owned by Mr. Graeme Hart. Mr. Cole intends to step down as a director of RGHL prior to the closing of this offering. Mr. Cole received a Bachelor of Commerce from the University of Auckland. Mr. Cole was selected to serve on our board of directors because of his current experience in our industry and extensive finance and board experience.

Thomas Degnan (Class I Director)

Mr. Degnan has been a member of RCP's board of directors since October 2019. He has served as a director and the Chief Executive Officer of RGHL since 2007. Mr. Degnan previously served as the President and Chief Executive Officer of UCI International LLC from 2012 to 2016. Mr. Degnan serves as a director of other entities owned by Mr. Graeme Hart. Mr. Degnan received a B.A. from Loyola University of Chicago. Mr. Degnan was selected to serve on our board of directors because of his current experience in our industry and extensive management and board experience.

Helen Golding (Class I Director)

Ms. Golding has been a member of RCP's board of directors since October 2019. She has served as Group Legal Counsel of Rank Group since 2006. Ms. Golding joined Rank Group from Burns, Philp & Company Pty Limited where she served as Company Secretary and Group Legal Counsel from 1998 to 2006. Prior to that, she was a private practitioner in a Sydney-based law firm. Ms. Golding is currently a director of RGHL, where she serves as a member of its audit committee, Rank Group and other entities owned by Mr. Graeme Hart. Ms. Golding intends to step down as a director of RGHL prior to the closing of this offering. Ms. Golding received a Bachelor of Economics and Master of Laws from the University of Sydney. Ms. Golding was selected to serve on our board of directors because of her current experience in our industry and extensive legal and board experience.

Marla Gottschalk (Class III Director)

Ms. Gottschalk is expected to join our board of directors upon the listing of our shares of common stock on Nasdaq. Ms. Gottschalk previously served as the Chief Executive Officer of The Pampered Chef Ltd. from 2006 to 2013 and as Chief Operating Officer from 2003 to 2006. Ms. Gottschalk joined Pampered Chef from Kraft Foods, Inc., where she worked for 14 years in various management positions, including as Senior Vice President of Financial Planning and Investor Relations for Kraft, Executive Vice President and General Manager of Post Cereal Division and Vice President of Marketing and Strategy of the Kraft Cheese Division. Ms. Gottschalk is currently a member of the board of directors of Potbelly Corporation and Big Lots, Inc., where she serves as the chair of their audit committees and as a member of their compensation committees. She also serves as a strategic board advisor for Ocean Spray Cranberries, Inc. and as a member of the board of directors of Underwriters Laboratories. Ms. Gottschalk previously served as a director of GATX Corporation from 2006 to 2008 and as a director of Visteon Corporation from 2003 to 2006. Ms. Gottschalk received a B.S. in Business from Indiana University and an M.S. in Management Studies from the J.L. Kellogg Graduate School of Management. Ms. Gottschalk served as a member of the Kelly School of Business Dean's Advisory Council and a member of the Academy of Alumni Fellows. Ms. Gottschalk was selected to serve on our board of directors because of her significant service on public company boards and board committees and her valuable knowledge and experience in our industry.

Richard Noll (Class III Director)

Mr. Noll is expected to join and serve as chairman of our board of directors upon the listing of our shares of common stock on Nasdaq. Mr. Noll served as Chairman of the Board of Directors of Hanesbrands Inc. from 2009 to 2019, as Executive Chairman from 2016 to 2017 and Chief Executive Officer from 2006 to 2016. Mr. Noll joined Hanesbrands Inc. from Sara Lee Corporation where he worked for 14 years in various management positions, including President and Chief Operating Officer of Branded Apparel and Chief Executive Officer and

Chief Operating Officer of Sara Lee Bakery Group, and led the turnarounds of several Sara Lee Corporation bakery and apparel businesses. Mr. Noll is currently a member of the board of directors of Carter's Inc., where he serves as a member of its compensation committee. Mr. Noll previously served as a director of Fresh Market Inc. from 2011 to 2016. Mr. Noll received a B.A. in Business Administration from Pennsylvania State University and an M.B.A. from Carnegie Mellon University. Mr. Noll was selected to serve on our board of directors because of his experience as a public company director and significant management experience.

Board Structure

Upon closing of this offering, our board of directors will consist of six members.

In connection with this offering, we will enter into a stockholders agreement with PFL. Among other things, the stockholders agreement will provide PFL with the right to nominate a certain number of directors so long as the Hart Entities beneficially own at least 10% of the outstanding shares of our common stock. See "Certain Relationships and Related Party Transactions—Stockholders Agreement".

Our board of directors will be divided into three classes serving staggered three-year terms, as set forth in our amended and restated certificate of incorporation and our amended and restated bylaws. Class I, Class II and Class III directors will serve until our annual meetings of stockholders in 2021, 2022 and 2023, respectively. At each annual meeting of stockholders, directors will be elected to succeed the class of directors whose terms have expired. This classification of our board of directors could have the effect of increasing the length of time necessary to change the composition of a majority of the board of directors. In general, at least two annual meetings of stockholders will be necessary for stockholders to effect a change in a majority of the members of the board of directors.

Director Independence

We are a "controlled company" under the rules of Nasdaq. As a result, we qualify for exemptions from, and have elected not to comply with, certain corporate governance requirements under the rules, including the requirements that within one year of the closing of this offering we have a board that is composed of a majority of "independent directors," as defined under the rules, and a compensation, nominating and corporate governance committee that are composed entirely of independent directors. Even though we are a controlled company, we are required to comply with the rules of the SEC and Nasdaq relating to the membership, qualifications and operations of the audit committee, as disclosed below.

The rules of Nasdaq define a "controlled company" as a company of which more than 50% of the voting power for the election of directors is held by an individual, a group or another company. Upon closing of this offering, PFL will own, and control the voting power of, 154,062,139 shares of our common stock, representing 77% of the total outstanding shares of common stock (or approximately 74% if the underwriters exercise their option to purchase additional shares of common stock in full). Through its control of shares of common stock representing a majority of the votes entitled to be cast in the election of directors, PFL will control the vote to elect all of our directors. Accordingly, we will qualify as a "controlled company" and will be able to rely on the controlled company exemption from the director independence requirements of Nasdaq relating to the board of directors and the compensation, nominating and corporate governance committee. If we cease to be a controlled company and the common stock continues to be listed on Nasdaq, we will be required to comply with these requirements by the date our status as a controlled company changes or within specified transition periods applicable to certain provisions, as the case may be.

Our board of directors has determined that Ms. Marla Gottschalk and Mr. Richard Noll are independent directors under Nasdaq rules.

Role of Board of Directors in Risk Oversight

Our Chief Executive Officer, other executive officers and other members of our management team regularly report to the non-executive directors and the audit committee to discuss any financial, legal, cybersecurity or regulatory risks, to ensure effective and efficient oversight of our activities and to assist in proper risk management and the ongoing evaluation of management controls. The internal audit department reports functionally and administratively to our Chief Financial Officer and directly to the audit committee. We believe that the leadership structure of our board of directors provides appropriate risk oversight of our activities given the controlling interests held by PFL.

Board Committees

Audit Committee

The members of our audit committee are Ms. Marla Gottschalk, Mr. Gregory Cole and Mr. Richard Noll. Ms. Gottschalk will serve as the chair of our audit committee. The composition of our audit committee meets the requirements for independence under the current Nasdaq listing standards and SEC rules and regulations. Each member of our audit committee is financially literate. In addition, our board of directors has determined that Ms. Gottschalk is an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K promulgated under the Securities Act. This designation does not impose any duties, obligations or liabilities that are greater than are generally imposed on members of our audit committee and our board of directors. Our audit committee is directly responsible for, among other things:

- selecting a firm to serve as the independent registered public accounting firm to audit our financial statements;
- ensuring the independence of the independent registered public accounting firm;
- approving the planned scope and timing, and discussing the findings, of the audit with the independent registered public accounting firm, and reviewing, with management and that firm, our interim and year-end operating results;
- establishing procedures for employees to anonymously submit concerns about questionable accounting or auditing matters;
- considering the adequacy of our internal controls and internal audit function;
- reviewing and approving related person transactions and those that require disclosure; and
- approving or, as permitted, pre-approving all audit and non-audit services to be provided by the independent registered public accounting firm.

Compensation, Nominating and Corporate Governance Committee

The members of our compensation, nominating and corporate governance committee are Messrs. Gregory Cole, Richard Noll and Thomas Degnan. Mr. Cole will serve as the chair of our compensation, nominating and corporate governance committee. Our compensation, nominating and corporate governance committee is responsible for, among other things:

- recommending to our board of directors for determination, the compensation of our executive officers;
- reviewing and approving the compensation of our directors;
- administering our stock and equity incentive plans;
- reviewing and evaluating, or making recommendations to our board of directors with respect to, incentive compensation and equity plans;

- reviewing our overall compensation philosophy;
- identifying and recommending candidates for membership on our board of directors;
- reviewing and recommending our corporate governance guidelines and policies;
- reviewing and considering proposed waivers of the code of conduct for directors and executive officers and making recommendations to our board of directors;
- overseeing the process of evaluating the performance of our board of directors; and
- assisting our board of directors on corporate governance matters.

Code of Business Conduct and Ethics

In connection with this offering, our board of directors will adopt a code of business conduct and ethics that applies to all of our employees, officers and directors, including our Chief Executive Officer, Chief Financial Officer and other executive and senior financial officers. Upon closing of this offering, the full text of our codes of business conduct and ethics will be posted on the investor relations section of our website. We intend to disclose future amendments to our codes of business conduct and ethics, or any waivers of such code, on our website or in public filings.

Compensation Committee Interlocks and Insider Participation

None of our executive officers has served as a member of a compensation committee (or if no committee performs that function, the board of directors) of any other entity that has an executive officer serving as a member of our board of directors.

EXECUTIVE COMPENSATION

Introduction

This Compensation Discussion and Analysis section describes our compensation approach and programs for our named executive officers ("NEOs"), which include our Chief Executive Officer, Chief Financial Officer, and our three other most highly compensated executive officers for the year ended December 31, 2018. Except as otherwise indicated, the information in this section relates to the compensation of our NEOs, and the principles underlying our executive compensation policies, in respect of fiscal year 2018. As of the date hereof, we are unable to determine the payment amounts under both the AIP and RGHL LTIP (each as defined below) in respect of fiscal year 2019. Accordingly, we are unable to identify our NEOs for fiscal year 2019 at this time. We will identify and disclose our NEOs and their compensation in respect of fiscal year 2019 in our Form 10-K, that we expect to file in 2020. Our NEOs for 2018 were:

- Lance Mitchell, President and Chief Executive Officer;
- Michael Graham, Chief Financial Officer;
- David Bryla, President, Hefty Waste & Storage;
- Stephan Pace, President, Walmart/Sam's & eCommerce; and
- Craig Cappel, President, Reynolds Cooking & Baking.

Mr. Cappel became the President of Reynolds Cooking & Baking in October 2018. Prior to that, he served as the President of Hefty Tableware. Mr. Bryla's employment with RCP terminated in June 2019.

The following discussion relates to the compensation of our NEOs whose compensation is disclosed below, as well as the overall principles underlying our executive compensation policies as we move towards becoming a public company. Except as otherwise indicated below, the compensation objectives, strategy, and decisions that were applicable to us and our NEOs for 2018 were consistent with the compensation objectives, strategy, and decisions that were generally applicable to RGHL for 2018.

Our Compensation Objectives and Philosophy

As a wholly-owned business of RGHL Group, we have shared the compensation objectives of RGHL, including attracting and retaining top talent, motivating and rewarding the performance of senior executives in support of achievement of strategic, financial and operating performance objectives and ensuring that our total compensation packages are competitive in comparison to those offered by our peers. Our NEOs, as well as our employees generally, have participated in compensation and benefits plans and programs which have included other businesses of RGHL, including as described below under "Other Compensation—Retirement and Welfare Benefits," and a number of these plans and programs are being replicated as stand-alone plans in conjunction with this offering. These plans and programs are intended to align our compensation programs with our business objectives, promote good corporate governance and seek to achieve our compensation objectives.

To ensure that management's interests are aligned with those of our stockholders and to motivate and reward individual initiative and effort, our executive compensation program emphasizes a pay-for-performance compensation philosophy so that attainment of enterprise-wide, business unit and individual performance goals are rewarded. Through the use of performance-based plans that emphasize attainment of enterprise-wide and/or business unit goals, we seek to foster teamwork and commitment to performance. The introduction of tools such as equity ownership and long-term equity-based incentive compensation programs, discussed below, in conjunction with this offering is important to ensure that the efforts of management are consistent with the objectives of our stockholders.

Risk Assessment of Compensation Programs

RGHL does not believe that our compensation arrangements, including financial performance measures used to determine short-term and long-term incentive payout amounts, provide our executives with an incentive to engage in business activities or other behavior that would expose us or our stockholders to excessive risks that are reasonably likely to have a material adverse effect.

Executive Compensation Process

Role of RGHL Executives and RCP's Compensation, Nominating and Corporate Governance Committee Going Forward

Prior to the Corporate Reorganization and the closing of this offering, we were a wholly-owned business of RGHL Group and executives of RGHL were primarily responsible for determining our compensation strategy and philosophy.

In connection with this offering, RGHL executives established our initial compensation and benefits programs and approved initial compensation for our executive officers and senior executives, including our NEOs. To assist in this task, RGHL has engaged Pearl Meyer, an independent compensation consultant, to provide an analysis of base salary, short-term incentive ("STI") compensation and long-term incentive ("LTI") compensation for senior executives with similar responsibilities, including positions within business groups, within the companies in the Benchmark Comparison Group. RGHL also directed Pearl Meyer to compare RCP executive officers' compensation by percentile ranking to the compensation received by officers in comparable positions at Benchmark Comparison Group companies, discussed below.

We have established a compensation, nominating and corporate governance committee of directors ("Compensation, Nominating and Corporate Governance Committee") who, following the closing of this offering, will assume responsibility for determining our compensation philosophy, structuring our compensation and benefits programs and determining appropriate payments and awards to our executive officers, including our NEOs. The Compensation, Nominating and Corporate Governance Committee will also be responsible for implementing, monitoring and evaluating our executive compensation philosophy and objectives and overseeing the compensation program for senior executives. The Compensation, Nominating and Corporate Governance Committee's responsibilities and authority are described fully in its charter.

Role of the Independent Compensation Consultant and Our Peer Group

In conjunction with this offering, we have identified a group of peer companies which we will use as our benchmark for compensation matters ("Benchmark Comparison Group"). The Benchmark Comparison Group will be reviewed from time to time by our Compensation, Nominating and Corporate Governance Committee. The Benchmark Comparison Group includes the following companies:

- AptarGroup, Inc.
- Church & Dwight Co., Inc.
- Edgewell Personal Care Company
- Energizer Holdings, Inc.
- Greif, Inc.
- Hasbro, Inc.
- Helen of Troy Limited
- Nu Skin Enterprises, Inc.
- Owens-Illinois, Inc.
- Sealed Air Corporation
- The Scotts Miracle-Gro Company
- Silgan Holdings Inc.
- Snap-on Incorporated
- Spectrum Brands Holdings
- The Clorox Company
- Tupperware Brands Corporation

The criteria considered in selecting peer companies for the Benchmark Comparison Group include the following:

- size, as measured by revenue, market capitalization and enterprise value;
- industry category, including consumer household and personal products, household appliances, containers and packaging; and
- competition for sources of talent.

Role of Management

Subsequent to this offering, our CEO will make recommendations to the Compensation, Nominating and Corporate Governance Committee for base salary, STI, LTI and any other elements of our compensation program for each NEO (other than the CEO, whose compensation is determined solely by the Compensation, Nominating and Corporate Governance Committee). Our CEO will also provide recommendations to the Compensation, Nominating and Corporate Governance Committee on other elements of our compensation program for senior executives, including, for example, the design and metrics under our STI and LTI programs. While the Compensation, Nominating and Corporate Governance Committee will consider the CEO's recommendations with respect to the compensation of such NEOs, the Compensation, Nominating and Corporate Governance Committee independently evaluates the recommendations and makes all final compensation decisions relating to the NEOs.

In the case of compensation for employees below the most senior level, the Compensation, Nominating and Corporate Governance Committee will delegate certain authority to our management to make determinations in accordance with guidelines established by the Compensation, Nominating and Corporate Governance Committee.

Elements of Compensation

The components of executive compensation for our NEOs, and the primary objectives of each, are summarized in the chart below:

Compensation Element	Description	Form	Objective
Base salary	Fixed based on level of responsibility, experience, tenure and qualifications	Cash	• Support talent attraction and retention
STI Compensation in the Form of an Annual Incentive Program	Variable based on the achievement of annual financial metrics	Cash	• Link pay and performance • Drive the achievement of short-term business objectives
LTI Compensation	Variable based on the achievement of longer-term goals and stockholder value creation	Cash	• Support talent attraction and retention • Link pay and performance • Drive the achievement of longer-term goals
Other Compensation and Benefits Programs	Employee health, welfare and retirement benefits	Group medical benefits Life and disability insurance 401(k) plan participation Nonqualified Deferred Compensation Plan and the Pactiv Retirement Plan	• Support talent attraction and retention

RCP has been a wholly-owned business of RGHL Group, and executive compensation has been set with this in mind. RGHL recognizes that as a result of this offering, RCP will become a stand-alone organization and has adopted programs for RCP that it feels, considering the advice from its consultants, are appropriate for a stand-alone publicly-traded company. Comparisons with the Benchmark Comparison Group (and compensation survey data where applicable) have been undertaken to recognize the increased independence of the NEOs and to adopt compensation programs that are more consistent with the public company market.

Because of the ability of our NEOs to directly influence our overall performance, and consistent with our philosophy of linking pay to performance, the compensation programs will allocate a significant portion of compensation paid to our NEOs to both short-term and long-term performance-based incentive programs. In addition, as an employee's responsibility and ability to affect our financial results of RCP increases, base salary becomes a relatively smaller component of total compensation while long-term and at-risk incentive compensation becomes a larger component of total compensation. See "—2018 Summary Compensation Table."

Base Salary

Base salaries are set at competitive levels necessary to attract and retain top performing senior executives, including our NEOs, and are intended to compensate senior executives for their job responsibilities and level of experience. RGHL has set a total compensation goal at approximately the 50th percentile of the Benchmark Comparison Group (and, for our Business Unit Presidents, the overall general industry), adjusted to reflect each executive's individual performance and contributions. Additionally, going forward the Compensation, Nominating and Corporate Governance Committee will attempt to set each of the elements of total compensation at or around the 50th percentile of the Benchmark Comparison Group. However, as there were certain elements of compensation not available to RCP when it was wholly-owned by RGHL, such as equity-based compensation, the Compensation, Nominating and Corporate Governance Committee recognizes that it will take time before all of the individual elements of total compensation can reach the 50th percentile goal. In certain cases, including when an executive is recruited from another company or where it is otherwise appropriate to retain or incentivize an executive, the base salary may exceed the levels indicated in order to attract, and ultimately retain, the executive.

2018 Annual Incentive Compensation

Our 2018 annual incentive program ("2018 AIP") provided an opportunity for our senior executives, including our NEOs, to earn an annual incentive, paid in cash, based on the achievement of certain financial targets and strategic priorities.

The table below discloses the annual incentive targets for each NEO under the 2018 AIP.

Name	Incentive Target (%)
Lance Mitchell	115%
Michael Graham	60%
David Bryla	60%
Stephan Pace	60%
Craig Cappel	60%

2018 AIP Design

The 2018 AIP was designed to motivate our senior executives to achieve annual financial and other business goals based on our strategic, financial, and operating performance objectives. For our senior executives, including our NEOs, 90% of the payout under the 2018 AIP was determined by Adjusted EBITDA year over year growth ("Adjusted EBITDA Growth"). The remaining 10% was measured by working capital achievements. Based on the combined

Adjusted EBITDA Growth and working capital results, a participant could earn up to 200% of the target value. Additionally, an individual's calculated payout amount could be increased or decreased at management's discretion to take into account their performance and contribution to RCP.

The Adjusted EBITDA Growth component was calculated on a scale where the threshold payout was 50% of the incentive target upon achievement of 95% Adjusted EBITDA Growth. The percentage payout increases on a non-linear scale with award payouts capped at 200% of target upon achievement of 108% Adjusted EBITDA Growth. The working capital achievements component was based on the achievement of discrete projects.

Based on Adjusted EBITDA Growth and achievement of working capital targets in 2018, the calculated payment was 89.6% of target, based on the following factors:

Metric	2017 EBITDA Actual ($m)	2018 EBITDA Actual ($m)	Payout Attainment (%)	Weight (%)	Final Payout (%)
EBITDA Growth	657	652	91.2%	90%	82.1%
Working Capital			75.0%	10%	7.5%
Total					**89.6%**

The actual payments made in respect of the year ended December 31, 2018 for the NEOs are disclosed below. Where an adjustment was made to the calculated result, the percentage adjustment is also included.

Name	STI Target Percentage (%)	Payment From Annual Incentive Plan ($)	Variation From Calculated Amount (%)
Lance Mitchell	115%	1,545,600	—
Michael Graham	60%	512,482	24%
David Bryla	60%	322,945	24%
Stephan Pace	60%	288,865	24%
Craig Cappel	50%	203,595	13%

2018 Long-Term Incentive Compensation

A small number of key executives, including the NEOs, participate in a cash-based long-term incentive program ("RGHL LTIP"). Pursuant to the RGHL LTIP, participants receive a grant at the beginning of a three-year performance period that can be earned over such period in annual instalments based upon the attainment of certain Adjusted EBITDA Growth metrics set at the beginning of the period. Each grant will provide for a "Target Opportunity Award" (based on a percentage of base salary) that can be achieved over the three-year period. The performance results achieved in the first year of the three-year period will establish the total amount of the award (which is expressed as a percentage of the Target Opportunity Award) that can be payable over the specified three-year period. If the business does not meet the performance threshold level in the first year, the participant is no longer eligible to earn any amount over the three-year period. If the business meets the threshold in the first year, the participant will receive the first payment, but the second and third payments may be withheld depending on business results in the second and third years.

The 2018 grant was based on Adjusted EBITDA Growth and potential payouts ranged from an award of 25% of the target value for 95% Adjusted EBITDA Growth up to 125% of the target value for 108% Adjusted EBITDA Growth. The actual result of 99.24% Adjusted EBITDA Growth translated to a payout equal to 71.64% of the target value. The first of three instalments with respect to the 2018 grant was paid in early 2019. See the "—2018 Summary Compensation Table" section below for the amounts earned in 2018 under grants made in 2016, 2017 and 2018 under the RGHL LTIP.

The below table sets forth the potential payments remaining under the 2017, 2018 and 2019 grants for amounts that could be earned in fiscal year 2019, 2020 and 2021.

Name	2019 Grant Target Value ($)	2018 Grant Target Value ($)	2018 Grant Calculated Award (%)	2018 Grant Calculated Award ($)	2018 Grant 2nd Instalment ($)	2018 Grant 3rd Instalment ($)	2017 Grant 3rd Instalment ($)
Lance Mitchell	1,550,000	1,400,000	71.64%	1,002,960	334,320	334,320	399,100
Michael Graham	581,590	564,650	71.64%	404,515	134,838	134,839	168,298
David Bryla	367,943	353,791	71.64%	253,455	84,485	84,486	105,450
Stephan Pace	327,818	318,270	71.64%	228,009	76,003	76,003	94,863
Craig Cappel	337,500	287,799	71.64%	206,179	68,726	68,727	85,366

We will not issue any new grants under the RGHL LTIP after this offering. A participant is not eligible to receive any award if they are not employed by RCP at the time the award is paid.

Other Compensation—Retirement and Welfare Benefits

The retirement and welfare benefit programs are a necessary element of the total compensation package to ensure a competitive position in attracting and retaining a committed workforce. Participation in these programs is not tied to performance.

Our specific contribution levels to these programs are adjusted annually to maintain a competitive position while considering costs.

- Employee Savings Plan. All non-union employees in the United States, including our NEOs, are eligible to participate in a tax-qualified retirement savings plan under Section 401(k) of the Code. RGHL makes a 2% non-elective contribution and matching contributions of 100% of the first 6% of an employee's elective deferral contribution.
- Pactiv Retirement Plan. Certain employees, including Mr. Bryla, Mr. Pace and Mr. Cappel, have frozen benefits under the Pactiv Retirement Plan, a defined benefit pension plan maintained by Pactiv.
- Welfare Plans. Our executives are also eligible to participate in our broad-based health and welfare plans (including medical, dental, vision, life insurance and disability plans) upon the same terms and conditions as other employees.

Executive Benefits and Perquisites

RCP employees who are at a designated salary grade or above may defer a portion of their salary and bonus each year into the Reynolds Services Inc. Nonqualified Deferred Compensation Plan, which is a tax deferred plan. RCP also makes contributions to this plan mirroring percentage contributions made to the 401(k) plan. This program is intended to promote retention by providing a long-term savings opportunity on a tax-efficient basis. In conjunction with this offering, an identical plan will be created for eligible RCP employees. The amounts deferred are unsecured obligations of RCP, receive no preferential standing, and are subject to the same risks as any of RCP's other unsecured obligations.

RGHL provides the NEOs with limited perquisites and other personal benefits, including reimbursement of relocation costs. Additionally, RCP purchases tickets to various cultural, charitable, civic, entertainment and sporting events for business development and relationship building purposes, and to maintain its involvement in communities in which RCP operates and its employees live. Occasionally, its employees, including its NEOs, make personal use of tickets that would not otherwise be used for business purposes. Following this offering, the Compensation, Nominating and Corporate Governance Committee will periodically review the levels of perquisites and other personal benefits provided to our NEOs. The Compensation, Nominating and Corporate Governance Committee intends to maintain only those perquisites and other benefits that it determines to be necessary components of total compensation and that are not inconsistent with stockholder interests.

Attributed costs of the personal benefits described above for our NEOs for the fiscal year ended December 31, 2018 are included in the column entitled "All Other Compensation" of the 2018 Summary Compensation Table.

Compensation Programs Following this Offering

RGHL has established STI and LTI programs for RCP for fiscal year 2020. The STI program will allow participants, including the NEOs, to earn cash awards (determined as a percentage of the participant's base salary) based on RCP's attainment of Adjusted EBITDA (90%) and working capital (10%) goals in fiscal year 2020. The targets and threshold levels for these performance metrics will be set by the Compensation, Nominating and Corporate Governance Committee in the first fiscal quarter of 2020.

We believe that a significant portion of each senior executive's compensation should be dependent on long-term value created for our stockholders. In conjunction with this offering, RGHL implemented an LTI program, which is designed to align the awards for the senior executives with the results achieved for stockholders. The LTI program for 2020 consists of restricted stock or restricted stock unit awards and performance share awards. The restricted stock or restricted stock units will generally vest over a three-year period, with 1/3 vesting each year. The performance shares will be earned at the end of a three-year period based on the attainment of specified performance metrics, which include earnings per share and Adjusted EBITDA, over the three-year period. The target and threshold levels for these performance metrics will be set by the Compensation, Nominating and Corporate Governance Committee in the first fiscal quarter of 2020.

Equity Incentive Plan

RCP has adopted the Incentive Plan, which will be effective in connection with this offering. The purpose of the Incentive Plan is to motivate and reward our employees, directors, consultants and advisors to perform at the highest level and to further our best interests and those of our shareholders.

Shares Available. Subject to adjustment, the Incentive Plan permits us to make awards of up to 5% of our common stock issued and outstanding after this offering (assuming the underwriters' option to purchase additional shares of common stock is exercised in full). Additionally, the number of shares of our common stock reserved for issuance under the Incentive Plan may increase automatically on the first day of each fiscal year following the effective date of the Incentive Plan by an amount equal to the lesser of (i) 1% of outstanding shares on December 31 of the immediately preceding fiscal year or (ii) such number of shares as determined by our board of directors in its discretion. If any award issued under the Incentive Plan is canceled, forfeited, or otherwise terminates or expires unexercised, such shares may again be issued under the Incentive Plan. In the event that an adjustment is necessary in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Incentive Plan, as a result of any dividend (other than ordinary cash dividends) or other distribution (whether in the form of cash, shares or other securities), recapitalization, share split (share subdivision), reverse share split (share consolidation), reorganization, merger, amalgamation, consolidation, split-up, spin-off, combination, repurchase or exchange of shares or other securities of the Company, issuance of warrants or other rights to acquire shares or other securities of the Company, issuance of shares pursuant to the anti-dilution provisions of securities of the Company, or other similar corporate transaction or event affecting the shares, or of changes in applicable laws, regulations or accounting principles, our Compensation, Nominating and Corporate Governance Committee shall, subject to compliance with Sections 409A and 457A of the Code, adjust equitably any or all of (i) the number and type of shares (or other securities) which thereafter may be made the subject of awards, (ii) the number and type of shares (or other securities) subject to outstanding awards, (iii) the grant, acquisition or exercise price of awards or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding award or (iv) the terms and conditions of any outstanding awards, including the performance criteria of any performance awards.

Administration. Our Compensation, Nominating and Corporate Governance Committee will administer the Incentive Plan and determine the following items:

- select the participants to whom awards may be granted;
- determine the type or types of awards to be granted under the Incentive Plan;
- determine the number of shares to be covered by awards;
- determine the terms and conditions of any award and prescribe the form of award agreement;
- determine whether, to what extent and under what circumstances awards may be settled or exercised in cash, shares, other awards, other property, net settlement, or any combination thereof, or canceled, forfeited or suspended, and the method or methods by which awards may be settled, exercised, canceled, forfeited or suspended;
- determine whether, to what extent and under what circumstances amounts payable with respect to an award shall be deferred;
- amend or modify outstanding awards or award agreements;
- correct any defect, supply any omission and reconcile any inconsistency in the Incentive Plan or any award, in the manner and to the extent it will deem desirable to carry the Incentive Plan into effect;
- interpret and administer the terms of the Incentive Plan, any award agreement and any agreement related to any award; and
- make any other determination and take any other action that it deems necessary or desirable to administer the Incentive Plan.

To the extent not inconsistent with applicable law, our Compensation, Nominating and Corporate Governance Committee may delegate to one or more of our officers some or all of the authority under the Incentive Plan, including the authority to grant all types of awards authorized under the Incentive Plan.

Eligibility. Generally, all employees, directors, consultants or other advisors of RCP or any of our affiliates will be eligible to receive awards.

Forms of Awards. Awards under the Incentive Plan may include one or more of the following types: (i) stock options, (ii) share appreciation rights ("SAR"), (iii) restricted stock awards, (iv) restricted stock unit ("RSU") awards, (v) performance awards, (vi) other cash-based awards and (vii) other stock-based awards.

- *Stock Options*. Options are rights to purchase a specified number of shares of our common stock at a price fixed by our Compensation, Nominating and Corporate Governance Committee, but not less than the fair market value on the date of grant. Options generally expire no later than ten years after the date of grant. Options will become exercisable at such time and in such installments as our Compensation, Nominating and Corporate Governance Committee will determine.
- *SARs*. An SAR entitles the holder to receive, upon exercise, an amount equal to any positive difference between the fair market value of one share of our common stock on the date an SAR is exercised and the exercise price, multiplied by the number of shares of common stock with respect to which an SAR is exercised. Our Compensation, Nominating and Corporate Governance Committee will have the authority to determine whether the amount to be paid upon exercise of an SAR will be paid in cash, common stock or a combination of cash and common stock.
- *Restricted Stock Awards*. Restricted stock awards provide for a specified number of shares of our common stock subject to a restriction against transfer during a period of time or until performance measures are satisfied, as established by our Compensation, Nominating and Corporate Governance Committee. Unless otherwise set forth in the agreement relating to a restricted stock award, the holder has

all the rights of a shareholder, including voting rights, the right to receive dividends and the right to participate in any capital adjustment applicable to all holders of common stock; provided, however, that our Compensation, Nominating and Corporate Governance Committee may determine that distributions with respect to shares of common stock will be reinvested in additional shares of common stock and will be subject to the same restrictions as the shares of common stock with respect to which such distribution was made.

- *RSUs*. An RSU award is a right to receive a specified number of shares of our common stock (or the fair market value thereof in cash, or any combination of our common stock and cash, as determined by our Compensation, Nominating and Corporate Governance Committee), subject to the expiration of a specified restriction period and/or the achievement of any performance measures selected by our Compensation, Nominating and Corporate Governance Committee, consistent with the terms of the Incentive Plan. The RSU award agreement will specify whether the award recipient is entitled to receive dividend equivalents with respect to the number of shares of our common stock subject to the award. Prior to the settlement of an RSU award in our common stock, the award recipient will have no rights as a shareholder of our Company with respect to our common stock subject to the award.
- *Performance Awards*. Performance awards are awards whose final value or amount, if any, is determined by the degree to which specified performance measures have been achieved during a performance period set by our Compensation, Nominating and Corporate Governance Committee. Payment may be made in the form of cash, shares, other awards, or a combination thereof, as specified by our Compensation, Nominating and Corporate Governance Committee.
- *Other Cash-Based Awards.* Our Compensation, Nominating and Corporate Governance Committee is authorized, subject to limitations under applicable law, to grant such other awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, cash on such terms and conditions as set by our Compensation, Nominating and Corporate Governance Committee.
- *Other Share-Based Awards*. Our Compensation, Nominating and Corporate Governance Committee is authorized, subject to limitations under applicable law, to grant other types of awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares or factors that may influence the value of shares.

An award agreement may contain additional terms and restrictions, including vesting conditions, not inconsistent with the terms of the Incentive Plan, as our Compensation, Nominating and Corporate Governance Committee may determine.

No Repricing. Except as provided in the adjustment provision of the Incentive Plan, no action will directly or indirectly, through cancellation and regrant or any other method, reduce, or have the effect of reducing, the exercise price of any option or an SAR established at the time of grant thereof without approval of our shareholders.

Director Pay Cap. Subject to the adjustment provision of the Incentive Plan, an individual who is a non-employee director may not receive awards, in cash or otherwise, for any calendar year that total more than $750,000 in the aggregate.

Termination of Employment or Service and Change in Control. Our Compensation, Nominating and Corporate Governance Committee will determine the effect of a termination of employment or service on outstanding awards, including whether the awards will vest, become exercisable, settle, be paid or be forfeited. In the event of a change in control, all outstanding awards shall immediately vest and settle, and, with respect to options and SAR, shall become fully exercisable, and any performance criteria to which any such award is subject will be deemed to be satisfied at target.

Amendment and Termination. Subject to certain restrictions, our board of directors may amend, alter, suspend, discontinue or terminate the Incentive Plan at any time. Our Compensation, Nominating and Corporate Governance Committee may also amend the related award documents. However, subject to the adjustment and change in control provisions of the Incentive Plan, any such action that would materially adversely affect the rights of a holder of an outstanding award may not be taken without the holder's consent, except to the extent that such action is taken to cause the Incentive Plan to comply with applicable law, stock market or exchange rules and regulations, or accounting or tax rules and regulations, or to impose any "clawback" or recoupment provisions on any outstanding awards in accordance with the Incentive Plan.

Executive Retention Plan

RGHL has approved a cash and equity retention plan applicable to RCP's NEOs and certain other key executives. The retention plan was implemented to further ensure leadership continuity, and its objectives are to retain executives through this offering and beyond. Awards under the retention plan are payable in cash and equity based on the criteria set forth below.

Cash Retention Plan: The retention plan is paid in one, two or three instalments. If the executive resigns or is terminated for cause before the end of the retention period, the executive must repay any instalments which have already been paid to him or her.

Restricted Stock Units: In conjunction with this offering, RCP will issue restricted stock units on the offer date to the NEOs and certain other persons. Contingent upon the closing of a successful offering, vesting for the restricted stock units will occur over a three year period with 1/3 vesting after 12 months, 1/3 vesting after 24 months and 1/3 vesting after 36 months. Each of these executives must be an employee of RCP or one of its affiliates on the applicable vesting date to receive these shares.

Employment Agreements with the NEOs

On July 8, 2019 Reynolds Consumer Products LLC entered into an amended and restated employment agreement with Mr. Mitchell and employment agreements with Messrs. Cappel and Graham, and on July 18, 2019, an employment agreement with Mr. Pace. Such employment agreements generally provide for base salary, STI compensation opportunity and LTI compensation opportunity and certain other benefits, including severance entitlements. These agreements, along with any additional agreements with our NEOs, are described under the heading "—Employment and Other Agreements" below.

Tax and Accounting Implications

Tax Considerations of Our Executive Compensation: Section 162(m) of the Code generally limits the tax deductibility of annual compensation paid by public companies for certain executive officers to $1 million. While the existing regulations under Section 162(m) would provide us, as a new publicly-traded company, transition relief from the $1 million deduction limitation, the IRS recently released proposed regulations that would eliminate this transition relief for any companies that undergo an initial public offering on or after December 20, 2019. Although our Compensation, Nominating and Corporate Governance Committee is mindful of the benefits of tax deductibility when determining executive compensation, we may approve compensation that will not be fully-deductible in order to ensure competitive levels of total compensation for its executive officers.

Accounting for Our Stock-Based Compensation: We will account for stock-based payments, including grants under each of our equity compensation plans, in accordance with the requirements of FASB ASC Topic 718.

2018 Summary Compensation Table

The following table sets forth information concerning the compensation paid to our NEOs during our fiscal year ended December 31, 2018.

Name	Year	Salary ($)	Non-Equity Incentive Plan Compensation(1) ($)	Changes in Pension Value and Nonqualified Deferred Compensation Earnings(2) ($)	All Other Compensation(3) ($)	Total ($)
Lance Mitchell	2018	1,458,333	2,645,687	—	122,322	4,226,342
Michael Graham	2018	766,042	984,818	—	92,632	1,843,492
David Bryla	2018	482,728	624,040	1,307	66,937	1,175,012
Stephan Pace	2018	431,786	559,731	—	62,524	1,054,041
Craig Cappel	2018	401,172	445,961	—	50,230	897,363

(1) In 2018, RGHL Group operated an annual incentive plan and a long-term non-equity incentive compensation plan as described more fully above in the section entitled "—Elements of Compensation." Awards under the annual incentive plan in respect of the 2018 year were as follows:

Name	Payment From Annual Incentive Plan ($)
Lance Mitchell	1,545,600
Michael Graham	512,482
David Bryla	322,945
Stephan Pace	288,865
Craig Cappel	203,595

The balance of the amounts reported under the Non-Equity Incentive Plan Compensation column represents amounts earned in 2018 under grants made in 2016, 2017 and 2018 under the LTIP. These amounts were as follows:

Name	2018 Grant 1st Instalment ($)	2017 Grant 2nd Instalment ($)	2016 Grant 3rd Instalment ($)	Total ($)
Lance Mitchell	334,320	399,100	366,667	1,100,087
Michael Graham	134,838	168,299	169,199	472,336
David Bryla	84,485	105,450	111,161	301,096
Stephan Pace	76,003	94,863	100,000	270,866
Craig Cappel	68,726	85,366	88,275	242,367

(2) Mr. Bryla, Mr. Pace, and Mr. Cappel receive benefits under the Pactiv Retirement Plan. In 2018, there was a decrease in the value of plan benefits for Mr. Pace and Mr. Cappel ($22,845 and $23,846, respectively), so these values are reported as $0. There was no aggregate earnings or interest on the Reynolds Services, Inc. Nonqualified Deferred Compensation Plan.

(3) We make contributions to the 401(k) plan and Reynolds Services, Inc. Nonqualified Deferred Compensation Plan. The applicable amounts for the 2018 year were as follows:

Name	Contributions To 401(k) Plan ($)	Contributions To Nonqualified Deferred Compensation Plan ($)
Lance Mitchell	22,000	97,000
Michael Graham	21,446	68,414
David Bryla	22,000	42,095
Stephan Pace	22,000	36,689
Craig Cappel	22,000	25,908

Other benefits reported under All Other Compensation include group life insurance and wellness credits.

Health and welfare benefits are not reported to the extent these benefits are generally available to all other salaried and non-union hourly employees.

2018 Grants of Plan-Based Awards

The following table sets forth information concerning grants of plan-based awards made to the NEOs named in the 2018 Summary Compensation Table during our fiscal year ended December 31, 2018.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards		
Name	Grant Date	Threshold ($)	Target ($)	Maximum ($)
Lance Mitchell	January 1, 2018	350,000	1,400,000	1,750,000
Michael Graham	January 1, 2018	141,163	564,650	705,813
David Bryla	January 1, 2018	88,448	353,791	442,238
Stephan Pace	January 1, 2018	79,568	318,270	397,838
Craig Cappel	January 1, 2018	71,950	287,799	359,748

There have been no equity-based compensation programs, and consequently there were no outstanding equity awards as of December 31, 2018. We intend to adopt, subject to the approval of our shareholders, the Equity Incentive Plan as described above in the section entitled “—Equity Incentive Plan” in connection with this offering.

2018 Pension Benefits

The following table sets forth information with respect to each plan that provides for payments or other benefits at, following, or in connection with retirement.

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit ($)	Payments During Last Fiscal Year ($)
Lance Mitchell	—	—	—	—
Michael Graham	—	—	—	—
David Bryla	Pactiv Retirement Plan	6.58	60,467	—
Stephan Pace	Pactiv Retirement Plan	9.67	332,304	—
Craig Cappel	Pactiv Retirement Plan	13.50	192,376	—

Mr. Bryla, Mr. Pace and Mr. Cappel have legacy entitlements under the Pactiv Retirement Plan, an ERISA-qualified defined benefit plan maintained by Pactiv.

2018 Nonqualified Deferred Compensation

The following table sets forth information with respect to each defined contribution or other plan that provides for the deferral of compensation on a basis that is not tax-qualified.

Name	Executive Contributions in Last FY ($)	Reynolds Consumer Products Contributions in Last FY ($)	Aggregate Earnings in Last FY ($)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE ($)
Lance Mitchell	180,236	97,000	(27,649)	—	1,127,087
Michael Graham	562,658	68,414	(34,089)	—	803,501
David Bryla	129,009	42,095	(8,569)	—	249,459
Stephan Pace	46,158	36,689	(27,268)	—	341,184
Craig Cappel	22,215	25,908	(6,757)	—	159,013

Potential Payments Upon Termination or Change in Control

The following table sets forth the expected benefits to be received by each NEO in each of the following termination scenarios pursuant to RGHL Group's informal policies and practices. This table assumes a termination date of December 31, 2018, the last business day of the year. The receipt of benefits is generally subject to executing and not revoking a release of claims. Other relevant assumptions and explanations are set forth in the footnotes following the table.

	Termination without Cause or for Good Reason Whether or Not in Connection with a Change in Control
Lance Mitchell	
Cash(1)	$ 1,500,000
Other Benefits(2)	$ 10,278
Michael Graham	
Cash(1)	$ 775,453
Other Benefits(2)	$ 11,541
David Bryla	
Cash(1)	$ 490,590
Other Benefits(2)	$ 14,510
Stephan Pace	
Cash(1)	$ 437,091
Other Benefits(2)	$ 11,455
Craig Cappel	
Cash(1)	$ 450,000
Other Benefits(2)	$ 11,446

(1) Under RGHL Group's practices, in connection with a qualifying termination of employment, the NEOs would have received severance payments equivalent to 12 months' base salary.

(2) In connection with a qualifying termination of employment, the NEOs would have continued to receive benefits under (or benefits comparable to) RGHL's medical, dental, vision, life and accidental death and disability programs.

In July 2019, Reynolds Consumer Products LLC entered into employment agreements with Messrs. Mitchell, Graham, Pace and Cappel that provide for payments upon a termination of employment. The

consequences of their termination of employment, whether or not in connection with a "change in control," are described under the heading "—Employment and Other Agreements" below.

Employment and Other Agreements

We have entered into employment agreements with Messrs. Mitchell, Graham, Cappel and Pace, which are summarized below. Messrs. Mitchell, Graham, Pace and Cappel also all entered into agreements dated July 8, 2019, under which they are entitled to transaction bonuses if this offering is completed or if there is a sale of the business, each a "Triggering Event," by June 30, 2020. Subject to not voluntarily leaving their employment prior to the payment date, 50% of the transaction bonus (the amount of which varies based upon whether the Triggering Event is the closing of this offering or a sale of the business) will be paid 30 days after the applicable Triggering Event and the remaining 50% will be paid six months after the applicable Triggering Event.

Messrs. Mitchell, Graham, Pace and Cappel also entered into retention agreements wherein they are eligible to receive both cash and restricted stock units subject to certain vesting requirements as described more fully above in the section entitled "—Executive Retention Plan."

Mr. Mitchell

Pursuant to Mr. Mitchell's employment agreement, he receives a base salary of $1,550,000 and a target annual incentive opportunity equal to 115% of his base salary.

Termination of Employment

If Mr. Mitchell is terminated without "cause," as such term is defined in his employment agreement, he is entitled to 12 months of his base salary plus a prorated target annual incentive. In addition, if within 12 months following a Sale of Business, Mr. Mitchell is terminated without cause or resigns following a material reduction in his remuneration or scope of duties, Mr. Mitchell is entitled to 24 months of base salary plus a prorated target annual incentive. Mr. Mitchell and his eligible dependents will also be eligible for COBRA continuation coverage for 12 months following a termination without cause whether or not in connection with a Sale of Business.

Restrictive Covenants

Mr. Mitchell is subject to customary restrictive covenants, including non-competition and non-solicitation covenants during his employment and for one year following termination of employment for any reason.

Mr. Graham

Pursuant to Mr. Graham's employment agreement, he receives a base salary of $798,716 and a target annual incentive opportunity equal to 60% of his base salary.

Termination of Employment

If Mr. Graham is terminated without "cause," as such term is defined in his employment agreement, he is entitled to 12 months of his base salary. In addition, if within 12 months following a Sale of Business, Mr. Graham is terminated without cause or resigns following a material reduction in his remuneration or scope of duties, Mr. Graham is entitled to 24 months of base salary plus a prorated target annual incentive. Mr. Graham and his eligible dependents will also be eligible for COBRA continuation coverage for 12 months following a termination without cause whether or not in connection with a Sale of Business.

Restrictive Covenants

Mr. Graham is subject to customary restrictive covenants, including non-competition and non-solicitation covenants during his employment and for one year following termination of employment for any reason.

Mr. Pace

Pursuant to Mr. Pace's employment agreement, he receives a base salary of $450,204 and a target annual incentive opportunity equal to 60% of his base salary.

Termination of Employment

If Mr. Pace is terminated without "cause," as such term is defined in his employment agreement, he is entitled to 12 months of his base salary. In addition, if within 12 months following a Sale of Business, Mr. Pace is terminated without cause or resigns following a material reduction in his remuneration or scope of duties, Mr. Pace is entitled to 24 months of base salary plus a prorated target annual incentive. Mr. Pace and his eligible dependents will also be eligible for COBRA continuation coverage for 12 months following a termination without cause whether or not in connection with a Sale of Business.

Restrictive Covenants

Mr. Pace is subject to customary restrictive covenants, including non-competition and non-solicitation covenants during his employment and for one year following termination of employment for any reason.

Mr. Cappel

Pursuant to Mr. Cappel's employment agreement, he receives a base salary of $463,500 and a target annual incentive opportunity equal to 60% of his base salary.

Termination of Employment

If Mr. Cappel is terminated without "cause," as such term is defined in his employment agreement, he is entitled to 12 months of his base salary. In addition, if within 12 months following a Sale of Business, Mr. Cappel is terminated without cause or resigns following a material reduction in his remuneration or scope of duties, Mr. Cappel is entitled to 24 months of base salary plus a prorated target annual incentive. Mr. Cappel and his eligible dependents will also be eligible for COBRA continuation coverage for 12 months following a termination without cause whether or not in connection with a Sale of Business.

Restrictive Covenants

Mr. Cappel is subject to customary restrictive covenants, including non-competition and non-solicitation covenants during his employment and for one year following termination of employment for any reason.

2018 Director Compensation

Our directors did not receive any additional compensation for their service in their capacity as a director in the year ended December 31, 2018.

Following the closing of this offering, we intend to implement a new director compensation program, under which our independent non-employee directors will be eligible to receive the following annual retainers and annual equity compensation grants:

- *Board member*: $230,000, of which $100,000 will be an annual cash retainer and $130,000 will be in the form of an annual grant of shares of our common stock

- *Chairman of the Board*: $115,000, of which $50,000 will be an annual cash retainer and $65,000 will be in the form of an annual grant of shares of our common stock, in addition to the $230,000 in board member payments and grants described above
- *Chairs of our Audit Committee and our Compensation, Nominating and Corporate Governance Committee*: $20,000, as an annual cash retainer
- *Members of our Audit Committee and our Compensation, Nominating and Corporate Governance Committee (other than the Chairman of the Board)*: $10,000, as an annual cash retainer

RSUs will be granted pursuant to the Incentive Plan. Directors who are also full-time officers or employees of the Company will receive no additional compensation for serving as directors.

We will also reimburse all of our directors for their reasonable expenses incurred in attending meetings of our board of directors or committees.

Our directors will also be entitled to indemnification, as further described in "Description of Capital Stock—Limitation of Liability of Directors and Officers."

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

We describe below transactions and series of similar transactions, during our last three fiscal years or currently proposed, to which we were a party or will be a party, in which:

- the amounts involved exceeded or will exceed $120,000; and
- any of our directors, executive officers or beneficial holders of more than 5% of any class of our capital stock had or will have a direct or indirect material interest.

Other than as described below, there have not been, nor are there any currently proposed, transactions or series of similar transactions meeting this criteria to which we have been or will be a party other than compensation arrangements, which are described where required under "Management—Board Structure" and "Executive Compensation."

Historical Transactions with RGHL Group

Prior to this offering, we have operated as part of RGHL Group's broader corporate organization rather than as a stand-alone public company. RGHL Group has performed or supported various corporate services for us, and we have engaged in various transactions with RGHL Group. The previous arrangements we had with RGHL Group are described below.

Supply, Warehousing and Freight Arrangements with Pactiv

We have arrangements with Pactiv pursuant to which we sell products to Pactiv, primarily aluminum foil and aluminum foil containers. For the years ended December 31, 2018, 2017 and 2016, revenues from products sold to Pactiv were $161 million, $148 million and $143 million, respectively. In addition, we have arrangements whereby Pactiv sells products to us, primarily tableware. For the years ended December 31, 2018, 2017 and 2016, the costs of products purchased from Pactiv were $511 million, $492 million and $494 million, respectively.

We have arrangements to store certain of our finished goods in warehouses leased and operated by Pactiv, and we have stored certain of Pactiv's finished goods in our warehouses. In addition, Pactiv has historically provided us with freight services, including scheduling and coordinating truck deliveries, managing carrier agreements and relationships, claims management and other related freight services, such as mixing and loading our products, together with products made by Pactiv for us, for shipment. For the years ended December 31, 2018, 2017 and 2016, Pactiv charged us freight and warehousing costs of $143 million, $120 million and $117 million, respectively. For the years ended December 31, 2018, 2017 and 2016, we charged Pactiv warehousing costs of $2 million each year.

Defined Benefit Plans

Prior to December 1, 2016, certain of our employees participated in a defined benefit plan that we sponsored. On November 30, 2016, this plan was merged into another defined benefit plan within RGHL Group and the future obligations under this plan became the responsibility of RGHL Group. As a result of this merger, we recorded a settlement loss of $9 million, which represented the release of the accumulated other comprehensive income balance attributable to the plan obligations as of the date of the merger.

Starting December 1, 2016, certain of our employees participated in a defined benefit plan sponsored by RGHL Group. We recorded expense of $3 million in cost of sales for each of the years ended December 31, 2018 and 2017 relating to our employees' participation in this RGHL Group sponsored plan.

Administrative Services and Lease

We have historically relied on RGHL Group to provide certain administrative services, including executive management, human resources, procurement, finance, legal, tax and information technology services and use of space in our headquarters building in Lake Forest, Illinois. Total costs allocated to us for these functions were $40 million, $37 million and $39 million for the years ended December 31, 2018, 2017 and 2016, respectively. These amounts also include allocations of a portion of a related party management fee incurred by RGHL Group of $10 million, $10 million and $13 million for the years ended December 31, 2018, 2017 and 2016, respectively.

Intercompany Indebtedness

We have entered into various interest-bearing lending arrangements with RGHL Group. During the years ended December 31, 2018, 2017 and 2016 we incurred borrowings of $338 million, $416 million and $634 million, respectively, from RGHL Group and repaid borrowings of $314 million, $456 million and $261 million, respectively. During the years ended December 31, 2018, 2017 and 2016 we advanced loans of $537 million, $508 million and $650 million, respectively, to RGHL Group and received repayments of $65 million, $200 million and $109 million, respectively. In addition to these amounts, during the year ended December 31, 2016, $162 million of non-current related party receivables was settled by offsetting the balance against our current income taxes payable.

During the year ended December 31, 2016, we incurred $1,350 million of additional borrowings under the RGHL Group Credit Agreement. The cash associated with these additional borrowings, net of $16 million in non-lender fees, was received directly by RGHL Group which resulted in an offsetting reduction in related party borrowings owing to RGHL Group.

The weighted average contractual interest rate related to our related party borrowings as of December 31, 2018, 2017 and 2016, was 6.00%, 6.28% and 6.79%, respectively. The weighted average contractual interest rate related to our non-current related party receivables as of December 31, 2018, 2017 and 2016, was 2.92%, 1.67% and 0.95%, respectively.

In June 2019, related party receivables were used to reduce the balances outstanding under various related party borrowings. As a result, prior to the Corporate Reorganization, we had borrowings due to RGHL Group, which as of June 30, 2019 were $2,228 million, bear interest at rates of 1% to 3% per annum and mature in 2022 and thereafter.

Contributions of Property, Plant and Equipment

During the years ended December 31, 2018, 2017, and 2016, property, plant and equipment related to our Hefty Tableware segment of $17 million, $5 million and $4 million, respectively, were contributed to us by RGHL Group.

Transactions to be Entered into in Connection with this Offering

Transition Services Agreements

In connection with this offering, we will enter into the RGHI TSA whereby RGHL Group will continue to provide certain administrative services to us, including information technology service; accounting, treasury, financial reporting and transaction support; human resources; procurement; tax, legal and compliance related services; and other corporate services. These services will be consistent with administrative services provided to us by RGHL Group prior to this offering and the charges will be at forecasted cost or current cost plus margin. In addition, we will provide certain services to RGHL Group under the RGHI TSA, consistent with services provided by us to RGHL Group prior to this offering, which will also be charged at current cost plus margin. Additionally, we have agreed that at each other's request, certain tax, financial and other information will be provided to enable preparation of tax and financial reports of the respective parties and for other business purposes.

Also, in connection with this offering, we will enter into the Rank TSA whereby, upon our request, Rank will provide certain administrative services to us, including financial reporting, consulting and compliance, insurance procurement and human resources support, legal and corporate secretarial support and related services, to be charged at an agreed hourly rate. In addition, we will provide, at Rank's request, certain historical tax and financial information to enable Rank to prepare certain of its tax and financial reports. These services will also be charged at an agreed hourly rate.

The services provided under the RGHI TSA and the Rank TSA (excluding the provision of information) will terminate within 24 months, as specified in each of these agreements. The party receiving services may terminate certain specified services by giving prior written notice in accordance with the terms of the RGHI TSA and the Rank TSA, as applicable.

Plant and Asset Transfers

Prior to the closing of this offering, the ownership or lease of certain plants, warehouses, equipment (including manufacturing lines), information technology assets, and inventory, will be transferred to us from RGHL Group with a net book value totaling $110 million. Further, we will be transferring to RGHL Group certain equipment (including manufacturing lines). While the assets have been reflected in our historical combined financial statements included elsewhere in this prospectus, the cash payable to RGHL Group for these transfers will remain on our balance sheet until the transfers become effective on November 1, 2019.

In connection with the plant and asset transfers, we will enter into a transition and support agreement for our Red Bluff, California and Huntersville, North Carolina facilities whereby Pactiv will provide certain services to us, including tooling and engineering support, financial services, procurement services, and environmental, health and safety services, to be charged at an agreed rate.

Leases with Pactiv

We lease our corporate headquarters in Lake Forest, IL from Pactiv. We occupy approximately 70,000 square feet at market rent with a term of ten years, with two five-year renewal options. We also lease approximately 26,000 square feet in Pactiv's Canandaigua, NY facility for certain research and development activities. The Canandaigua lease is at market rent and has a term of five years, provided we have the right to terminate the lease on six months' notice.

Supply, Warehousing and Freight Agreements with Pactiv

We will enter into supply agreements to continue selling products to and buying products from Pactiv, as described above. These agreements will expire on December 31, 2024. Certain of the products we manufacture and sell to Pactiv are made using equipment in our plants that is owned by Pactiv, and certain of the products that Pactiv manufactures and sells to us are made using equipment in Pactiv's plants that is owned by us. Under the supply agreements, we and Pactiv agree to maintain the other party's equipment that is in such party's plants, provided that any required capital expenditures related to such equipment are the equipment owner's responsibility.

We will enter into a warehousing and freight services agreement with Pactiv to continue storing many of our finished goods in warehouses operated by Pactiv and to provide certain freight services for shipments from our plants to our warehouses (including Pactiv warehouses) and from our warehouses to our customers. The term of the warehousing services under the agreement will vary by location. The term of the freight services under the agreement is for approximately three years.

The prices and other terms of these agreements were negotiated on what we believe to be an arm's-length basis. Upon the expiration of these agreements we will be required to renegotiate such agreements with Pactiv on

mutually agreeable terms, or enter into other arrangements for such shared space or services (either by performing such services through our employees or contracting with other providers) or for the supply or sale of such products.

Tax Matters Agreement

Allocation of taxes

In connection with the distributions to be effected as part of the Corporate Reorganization, we, RGHL and RGHI will enter into the Tax Matters Agreement that will govern the parties' respective rights, responsibilities and obligations with respect to tax liabilities and benefits, tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings and other matters regarding taxes. In general, we will be responsible for any U.S. federal, state, local or foreign taxes (and any related interest, penalties or audit adjustments) (i) imposed with respect to tax returns that include only us and/or any of our subsidiaries and (ii) imposed with respect to tax returns filed on a consolidated, combined, unitary or similar basis that include both us and/or any of our subsidiaries, on the one hand, and a member of RGHL Group, on the other hand, in each case, to the extent such taxes are attributable to our businesses for any periods or portions thereof after the closing of this offering.

Neither party's obligations under the Tax Matters Agreement will be limited in amount or subject to any cap. The Tax Matters Agreement will also assign responsibilities for administrative matters, such as the filing of returns, payment of taxes due, retention of records and conduct of audits, examinations or similar proceedings. In addition, the Tax Matters Agreement will provide for cooperation and information sharing with respect to tax matters.

RGHL Group will generally be responsible for preparing any tax return that includes a member of RGHL Group, including those that also include us and/or any of our subsidiaries. We will generally be responsible for preparing and filing any tax returns that include only us and/or any of our subsidiaries that relate to a period following the Corporate Reorganization.

The party responsible for preparing any tax return will generally have primary authority to control tax contests related to any such tax return. We will generally have exclusive authority to control tax contests with respect to tax returns that include only us and/or any of our subsidiaries that relate to a period following the Corporate Reorganization.

Preservation of the tax-free status of the distributions

Pursuant to the Tax Matters Agreement, we will also agree to certain covenants that contain restrictions intended to preserve the tax-free status of the distributions to be effected as part of the Corporate Reorganization. We may take certain actions prohibited by these covenants only if we obtain and provide to RGHL a ruling from the IRS or an opinion from a Tax advisor recognized as expert in federal income Tax and acceptable to RGHL in its sole discretion, in each case, to the effect that such action should not jeopardize the tax-free status of these transactions, or if we obtain prior written consent of RGHL, in its sole and absolute discretion, waiving such requirement. We will be barred from taking any action, or failing to take any action, where such action or failure to act adversely affects or could reasonably be expected to adversely affect the tax-free status of these distributions, for all relevant time periods. In addition, during the time period ending two years after the date of the distributions to be effected as part of the Corporate Reorganization, these covenants will include specific restrictions on our:

- discontinuing the active conduct of our trade or business;
- issuance or sale of stock or other securities (including securities convertible into our stock but excluding certain compensatory arrangements) in excess of 45% of our then-outstanding shares of common stock, in the aggregate;

- amending our certificate of incorporation (or other organizational documents) or taking any other action, whether through a stockholder vote or otherwise, affecting the voting rights of our common stock; and
- entering into certain corporate transactions that could jeopardize the tax-free status of the distributions.

We will generally agree to indemnify members of RGHL Group against any and all tax-related liabilities incurred by them relating to these distributions to the extent caused by any action undertaken by us. This indemnification will apply even if RGHL has permitted us to take an action that would otherwise have been prohibited under the tax-related covenants described above.

Stockholders Agreement

In connection with this offering, we will enter into a stockholders agreement with PFL. Among other things, the stockholders agreement will provide PFL with the right to nominate a certain number of directors to our board of directors, so long as the Hart Entities beneficially own at least 10% of the outstanding shares of our common stock. The stockholders agreement will also provide PFL with the ability to assign its board nomination and other rights to Permitted Assigns at any time.

The stockholders agreement will provide that, subject to compliance with applicable law and Nasdaq rules, for so long as the Hart Entities beneficially own at least 50% of our common stock then outstanding, PFL shall be entitled to nominate the total number of directors comprising the entire board of directors; for so long as the Hart Entities beneficially own at least 40%, but less than 50%, of our common stock then outstanding, PFL shall be entitled to nominate a majority of directors to our board of directors; for so long as the Hart Entities beneficially own at least 30%, but less than 40%, of our common stock then outstanding, PFL shall be entitled to nominate 40% of the directors to our board of directors; for so long as the Hart Entities beneficially own at least 20%, but less than 30%, of our common stock then outstanding, PFL shall be entitled to nominate 25% of the directors to our board of directors; and for so long as the Hart Entities beneficially own at least 10%, but less than 20%, of our common stock then outstanding, PFL shall be entitled to nominate 10% of the directors to our board of directors. For purposes of calculating the number of directors that PFL is entitled to nominate pursuant to the formula outlined above, any fractional amounts would be rounded up to the nearest whole number and the calculation would be made on a pro forma basis, taking into account any increase in the size of our board of directors. In the case of a vacancy on our board of directors created by the removal or resignation of an individual selected for nomination by PFL, the stockholders agreement will require us to nominate another individual selected by PFL.

In addition, the stockholders agreement will provide that for so long as the Hart Entities beneficially own at least 10% of the outstanding shares of our common stock, PFL is entitled to nominate, pursuant to the formula outlined above, members of the compensation, nominating and corporate governance committee and the audit committee of our board of directors, except to the extent that such membership would violate applicable securities laws or rules.

The rights granted to PFL to nominate directors are additive to and not intended to limit in any way the rights that PFL may have to nominate, elect or remove our directors under our certificate of incorporation, bylaws or Delaware law.

Policies and Procedures for Transactions with Related Parties

In connection with this offering, we have adopted a policy that our executive officers, directors, nominees for election as a director, beneficial owners of 5% or more of our common stock and any members of the immediate family of any of the foregoing persons are not permitted to enter into a related party transaction with us without the approval or ratification of a designated committee of our board of directors (which will initially be the audit committee) or other committee designated by our board of directors made up solely of independent directors. Any request for us to enter into a transaction with an executive officer, director, nominee for election

as a director, beneficial owner of 5% or more of our common stock or any member of the immediate family of any of the foregoing persons, in which the amount involved exceeds $120,000 and such person would have a direct or indirect interest, must be presented to our audit committee or other committee of independent directors for review to determine whether the related party involved has a direct or indirect material interest in the transaction. In reviewing any such proposal, our audit committee or other committee of independent directors are to consider the relevant facts of the transaction, including the risks, costs and benefits to us and whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances.

PRINCIPAL STOCKHOLDERS

The following table sets forth information regarding beneficial ownership of our common stock as of January 17, 2020 (as adjusted to give effect to the Corporate Reorganization), by:

- each person, or group of affiliated persons, known by us to own beneficially 5% or more of our common stock;
- each of the directors and NEOs individually; and
- all directors and executive officers as a group.

The number of shares of common stock outstanding after this offering includes 47,170,000 shares of common stock being offered for sale by us in this offering and assumes no exercise of the underwriters' option to purchase additional shares. Unless otherwise indicated, the address for each listed stockholder is: c/o Reynolds Consumer Products Inc., 1900 W. Field Court, Lake Forest, Illinois, 60045. To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock.

	Shares Beneficially Owned Before This Offering		Shares Beneficially Owned After This Offering (1)	
	Common Stock		Common Stock	
Name and Address of Beneficial Owner	Number	%	Number	%
5% Stockholder				
PFL(2)	155,455,000	100%	155,455,000	77%
Named Executive Officers, Director Nominees and Directors				
Lance Mitchell(3)	—	—		
Michael Graham(4)	—	—		
David Bryla	—	—		
Stephan Pace(5)	—	—		
Craig Cappel(6)	—	—		
Gregory Cole	—	—		
Thomas Degnan	—	—		
Helen Golding	—	—		
Marla Gottschalk	—	—		
Richard Noll	—	—		
All executive officers, director nominees and directors as a group (ten persons)				

(1) Assumes no exercise of the underwriters' option to purchase additional shares. See "Underwriting (Conflicts of Interest)."
(2) PFL is a wholly-owned subsidiary of PHL, which is wholly-owned by Mr. Graeme Hart. The principal business address of PFL, PHL and Mr. Graeme Hart is c/o Rank Group Limited, Floor 9, 148 Quay Street, Auckland, 1010 New Zealand.
(3) In connection with this offering, Mr. Mitchell will receive 58,491 restricted stock units as IPO Grants.
(4) In connection with this offering, Mr. Graham will receive 15,070 restricted stock units as IPO Grants.
(5) In connection with this offering, Mr. Pace will receive 8,494 restricted stock units as IPO Grants.
(6) In connection with this offering, Mr. Cappel will receive 8,745 restricted stock units as IPO Grants.

DESCRIPTION OF CAPITAL STOCK

The following descriptions are summaries of the material terms of our amended and restated certificate of incorporation and amended and restated bylaws. Reference is made to the more detailed provisions of, and the descriptions are qualified in their entirety by reference to, these documents, copies of which will be filed with the SEC as exhibits to the registration statement of which this prospectus is a part, and applicable law.

General

Upon the closing of this offering, our amended and restated certificate of incorporation and bylaws will provide for one class of common stock. In addition, our amended and restated certificate of incorporation and amended and restated bylaws will authorize shares of undesignated preferred stock, the rights, preferences and privileges of which may be designated from time to time by our board of directors.

Following the closing this offering, our authorized capital stock will consist of 2,000,000,000 shares of common stock, par value $0.001 per share and 200,000,000 shares of preferred stock, par value $0.001 per share.

Common Stock

Common stock outstanding. Prior to the closing of this offering (after giving effect to the Corporate Reorganization) there were 155,455,000 shares of common stock outstanding. Upon closing of this offering, there will be 202,625,000 shares of common stock outstanding, assuming no exercise of the underwriters' option to purchase additional shares, after giving effect to the sale of the shares of common stock offered hereby. All outstanding shares of common stock are fully paid and non-assessable, and the shares of common stock to be issued upon the closing of this offering will be fully paid and non-assessable.

Voting rights. The holders of our common stock are entitled to one vote per share on all matters to be voted upon by the stockholders.

Dividend rights. Holders of shares of our common stock are entitled to receive dividends when, as and if declared by our board of directors out of funds legally available therefor, subject to preferences that may be applicable to any outstanding preferred stock. See "Dividend Policy."

Rights upon liquidation. In the event of liquidation, dissolution or winding up of the Company, the holders of common stock will be entitled to share equally, identically and ratably in all assets remaining after the payment of any liabilities, liquidation preferences and accrued or declared but unpaid dividends, if any, with respect to any outstanding preferred stock.

Other rights. Our common stock is not entitled to preemptive rights and is not subject to conversion, redemption or sinking fund provisions.

Preferred Stock

Our board of directors has the authority to issue preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, dividend rates, conversion rights, voting rights, terms of redemption, redemption prices, liquidation preferences and the number of shares constituting any series or the designation of such series, without further vote or action by the stockholders.

The issuance of preferred stock may have the effect of delaying, deferring or preventing a change in control of the Company without further action by the stockholders and may adversely affect the voting and other rights of the holders of common stock. At present, we have no plans to issue any of the preferred stock.

Election and Removal of Directors

Our board of directors will consist of between five and eleven directors. The exact number of directors will be fixed from time to time by resolution of the board. Upon the closing of this offering, our board of directors will consist of six directors. No director may be removed except for cause, and directors may be removed for cause by an affirmative vote of shares representing a majority of the shares then entitled to vote at an election of directors. Any vacancy occurring on the board of directors and any newly created directorship may be filled only by a board resolution approved by a majority of the remaining directors in office.

Staggered Board

Our amended and restated certificate of incorporation and our amended and restated bylaws provide that our board of directors will be divided into three classes serving staggered three-year terms. Class I, Class II and Class III directors will serve until our annual meetings of stockholders in 2021, 2022 and 2023, respectively. At each annual meeting of stockholders, directors will be elected to succeed the class of directors whose terms have expired. This classification of our board of directors could have the effect of increasing the length of time necessary to change the composition of a majority of our board of directors. In general, at least two annual meetings of stockholders will be necessary for stockholders to effect a change in a majority of the members of our board of directors. An election of the directors shall be determined by a plurality of votes cast by the stockholders entitled to vote on the election. The holders of our common stock are not entitled to cumulative voting rights with respect to the election of directors.

Limits on Written Consents

Our amended and restated certificate of incorporation and our amended and restated bylaws provide that from and after the date on which the Hart Entities or Permitted Assigns no longer beneficially own more than 50% of the outstanding shares of our common stock, holders of our common stock will not be able to act by written consent without a meeting.

Stockholder Meetings

Our amended and restated certificate of incorporation and our amended and restated bylaws provide that special meetings of our stockholders may be called only by our Chief Executive Officer, the chairman of our board of directors, a majority of the directors, or stockholders holding 50% of the voting power of our outstanding common stock (which ability of stockholders to call special meetings will terminate once the Hart Entities or Permitted Assigns beneficially own less than 50% of the outstanding shares of our common stock). Our amended and restated certificate of incorporation and our amended and restated bylaws will specifically deny any power of any other person to call a special meeting.

Amendment of Certificate of Incorporation

The provisions of our amended and restated certificate of incorporation may be amended only by the affirmative vote of holders of at least a majority of the voting power of our outstanding shares of voting stock, for as long as the Hart Entities or Permitted Assigns beneficially own more than 50% of the outstanding shares of our common stock. From and after the date on which the Hart Entities or Permitted Assigns no longer beneficially own more than 50% of the outstanding shares of our common stock, the affirmative vote of holders of at least $66^{2/3}\%$ of the voting power of our outstanding shares of common stock will be required to amend provisions of our amended and restated certificate of incorporation.

Amendment of Bylaws

Our amended and restated bylaws may generally be altered, amended or repealed, and new bylaws may be adopted, with:

- the affirmative vote of a majority of directors present at any regular or special meeting of the board of directors called for that purpose; or
- the affirmative vote of holders of at least a majority of the voting power of our outstanding shares of voting stock for as long as the Hart Entities or Permitted Assigns beneficially own more than 50% of the outstanding shares of our common stock. From and after the date on which the Hart Entities or Permitted Assigns no longer beneficially own more than 50% of the outstanding shares of our common stock, the affirmative vote of holders of at least $66^{2/3}$% of the voting power of our outstanding shares of common stock will be required to amend provisions of our bylaws.

Other Limitations on Stockholder Actions

Our amended and restated bylaws will also impose some procedural requirements on stockholders who wish to:

- make nominations in the election of directors;
- propose that a director be removed;
- propose any repeal or change in our bylaws; or
- propose any other business to be brought before an annual or special meeting of stockholders.

Under these procedural requirements, in order to bring a proposal before a meeting of stockholders, a stockholder must deliver timely notice of a proposal pertaining to a proper subject for presentation at the meeting to our corporate secretary along with the following:

- a description of the business or nomination to be brought before the meeting and the reasons for conducting such business at the meeting;
- the stockholder's name and address;
- any material interest of the stockholder in the proposal;
- the number of shares beneficially owned by the stockholder and evidence of such ownership;
- the names and addresses of all persons with whom the stockholder is acting in concert and a description of all arrangements and understandings with those persons, and the number of shares such persons beneficially own;
- a description of any agreement or arrangement that has been entered into, the effect or intent of which is to create or mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such stockholder with respect to the Company's securities; and
- representations (i) that the stockholder is a holder of record entitled to vote and intends to appear in person or by proxy at such meeting to bring such business before the meeting and (ii) as to whether such stockholder intends to deliver a proxy statement to holders of the required voting power to approve the proposal or otherwise solicit proxies in support of the proposal.

To be timely, a stockholder must generally deliver notice:

- in connection with an annual meeting of stockholders, not less than 120 nor more than 180 days prior to the date on which the annual meeting of stockholders was held in the immediately preceding year, but in

the event that the date of the annual meeting is more than 30 days before or more than 60 days after the anniversary date of the preceding annual meeting of stockholders, a stockholder notice will be timely if received by us no earlier than 120 days prior to such annual meeting and not later than the close of business on the later of (1) 70 days prior to the date of the annual meeting and (2) the 10th day following the day on which we first publicly announce the date of the annual meeting; or

- in connection with the election of a director at a special meeting of stockholders, a stockholder notice will be timely if received by us (1) not earlier than 150 days prior to the date of the special meeting nor (2) later than the later of (a) 120 days prior to the date of the special meeting or (b) the 10th day following the day on which public announcement of the date of the special meeting of the stockholders is first made.

In order to submit a nomination for our board of directors, a stockholder must also submit any information with respect to the nominee that we would be required to include in a proxy statement, as well as certain other information. If a stockholder fails to follow the required procedures, the stockholder's proposal or nominee will be ineligible and will not be voted on by our stockholders.

Limitation of Liability of Directors and Officers

Our amended and restated certificate of incorporation will provide that no director will be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except as required by applicable law, as in effect from time to time. Currently, Delaware law requires that liability be imposed for the following:

- any breach of the director's duty of loyalty to our company or our stockholders;
- any act or omission not in good faith or which involved intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; and
- any transaction from which the director derived an improper personal benefit.

As a result, neither we nor our stockholders have the right, through stockholders' derivative suits on our behalf, to recover monetary damages against a director for breach of fiduciary duty as a director, including breaches resulting from grossly negligent behavior, except in the situations described above.

Our amended and restated bylaws will provide that, to the fullest extent permitted by law, we will indemnify any officer or director of our company against all damages, claims and liabilities arising out of the fact that the person is or was our director or officer, or served any other enterprise at our request as a director, officer, employee, agent or fiduciary. We will reimburse the expenses, including attorneys' fees, incurred by a person indemnified by this provision when we receive an undertaking to repay such amounts if it is ultimately determined that the person is not entitled to be indemnified by us. Amending this provision will not reduce our indemnification obligations relating to actions taken before an amendment.

Forum Selection

Our amended and restated certificate of incorporation will provide that unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers or other employees or our stockholders;

- any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law; or
- any action asserting a claim governed by the internal affairs doctrine.

In each such case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein.

Notwithstanding the foregoing, the exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Exchange Act, the Securities Act or any other claim for which the federal courts have exclusive jurisdiction. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the foregoing forum selection provisions. Although we believe these provisions will benefit us by providing increased consistency in the application of Delaware law for the specified types of actions and proceedings, the provisions may have the effect of discouraging lawsuits against our directors, officers, employees and agents. The enforceability of similar exclusive forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with one or more actions or proceedings described above, a court could rule that this provision in our amended and restated certificate of incorporation is inapplicable or unenforceable.

Delaware Business Combination Statute

Section 203 of the Delaware General Corporation Law prevents an "interested stockholder," which is defined generally as a person owning 15% or more of a corporation's voting stock, or any affiliate or associate of that person, from engaging in a broad range of "business combinations" with the corporation for three years after becoming an interested stockholder unless:

- the board of directors of the corporation had previously approved either the business combination or the transaction that resulted in the stockholder's becoming an interested stockholder;
- upon the closing of the transaction that resulted in the stockholder's becoming an interested stockholder, that person owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, other than statutorily excluded shares; or
- following the transaction in which that person became an interested stockholder, the business combination is approved by the board of directors of the corporation and holders of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

A Delaware corporation may elect in its certificate of incorporation or bylaws not to be governed by this particular Delaware law. Under our amended and restated certificate of incorporation, we will opt out of Section 203 of the Delaware General Corporation Law and will therefore not be subject to Section 203.

Anti-Takeover Effects of Some Provisions

Some provisions of our amended and restated certificate of incorporation and amended and restated bylaws could make the following more difficult:

- acquisition of control of us by means of a proxy contest or otherwise, or
- removal of our incumbent officers and directors.

These provisions, as well as our ability to issue preferred stock, are designed to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of

increased protection give us the potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us, and that the benefits of this increased protection outweigh the disadvantages of discouraging those proposals, because negotiation of those proposals could result in an improvement of their terms.

Listing

We intend to apply to list our common stock on Nasdaq under the symbol “REYN.”

Transfer Agent and Registrar

The transfer agent and registrar for the common stock is American Stock & Transfer Trust Company, LLC.

MATERIAL U.S. FEDERAL TAX CONSIDERATIONS FOR NON-U.S. HOLDERS OF COMMON STOCK

The following are the material U.S. federal income and estate tax consequences of the ownership and disposition of our common stock acquired in this offering by a "Non-U.S. Holder" that does not own, and has not owned, actually or constructively, more than 5% of our common stock. You are a Non-U.S. Holder if for U.S. federal income tax purposes you are a beneficial owner of our common stock that is:

- a nonresident alien individual;
- a foreign corporation; or
- a foreign estate or trust.

You are not a Non-U.S. Holder if you are a nonresident alien individual present in the United States for 183 days or more in the taxable year of disposition, or if you are a former citizen or former resident of the United States for U.S. federal income tax purposes. If you are such a person, you should consult your tax adviser regarding the U.S. federal income tax consequences of the ownership and disposition of our common stock.

If you are a partnership for U.S. federal income tax purposes, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and your activities.

This discussion is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, changes to any of which subsequent to the date of this prospectus may affect the tax consequences described herein, possibly with retroactive effect. This discussion does not describe all of the tax consequences that may be relevant to you in light of your particular circumstances, including alternative minimum tax and Medicare contribution tax consequences and does not address any aspect of state, local or non-U.S. taxation, or any taxes other than income and estate taxes. You should consult your tax adviser with regard to the application of the U.S. federal tax laws to your particular situation, as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

Dividends

Distributions of cash or other property will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed our current and accumulated earnings and profits, they will constitute a return of capital, which will first reduce your basis in our common stock, but not below zero, and then will be treated as gain from the sale of our common stock, as described below under "—Gain on Disposition of Our Common Stock."

Dividends paid to you generally will be subject to withholding tax at a 30% rate or a reduced rate specified by an applicable income tax treaty. In order to obtain a reduced rate of withholding (subject to the discussion below under "—FATCA"), you will be required to provide a properly executed applicable IRS Form W-8 certifying your entitlement to benefits under a treaty.

If dividends paid to you are effectively connected with your conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment or fixed base maintained by you in the United States), you will generally be taxed on the dividends in the same manner as a U.S. person. In this case, you will be exempt from the withholding tax discussed in the preceding paragraph, although you will be required to provide a properly executed IRS Form W-8ECI in order to claim an exemption from withholding. You should consult your tax adviser with respect to other U.S. tax consequences of the ownership and disposition of our common stock, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate) if you are a corporation.

Gain on Disposition of Our Common Stock

Subject to the discussions below under "—Information Reporting and Backup Withholding" and "—FATCA," you generally will not be subject to U.S. federal income or withholding tax on gain realized on a sale or other taxable disposition of our common stock unless:

- the gain is effectively connected with your conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by you in the United States), or
- we are or have been a "United States real property holding corporation," as defined in the Code, at any time within the five-year period preceding the disposition or your holding period, whichever period is shorter, and our common stock has ceased to be regularly traded on an established securities market prior to the beginning of the calendar year in which the sale or disposition occurs.

We believe that we are not, and do not anticipate becoming, a United States real property holding corporation.

If you recognize gain on a sale or other disposition of our common stock that is effectively connected with your conduct of a trade or business in the United States (and if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by you in the United States), you will generally be taxed on such gain in the same manner as a U.S. person. You should consult your tax adviser with respect to other U.S. tax consequences of the ownership and disposition of our common stock, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate) if you are a corporation.

Information Reporting and Backup Withholding

Information returns are required to be filed with the IRS in connection with payments of dividends on our common stock. Unless you comply with certification procedures to establish that you are not a U.S. person, information returns may also be filed with the IRS in connection with the proceeds from a sale or other disposition of our common stock. You may be subject to backup withholding on payments on our common stock or on the proceeds from a sale or other disposition of our common stock unless you comply with certification procedures to establish that you are not a U.S. person or otherwise establish an exemption. Your provision of a properly executed applicable IRS Form W-8 certifying your non-U.S. status will permit you to avoid backup withholding. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against your U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

FATCA

Provisions of the Code commonly referred to as "FATCA" require withholding of 30% on payments of dividends on our common stock, as well as of gross proceeds of dispositions of our common stock, to "foreign financial institutions" (which is broadly defined for this purpose and in general includes investment vehicles) and certain other non-U.S. entities unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of interests in or accounts with those entities) have been satisfied, or an exemption applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Under proposed regulations the preamble to which states that taxpayers may rely on the proposed regulations until final regulations are issued, this withholding tax will not apply to the gross proceeds from the sale, exchange, redemption or other taxable disposition of our common stock. If FATCA withholding is imposed, a beneficial owner that is not a foreign financial institution generally may obtain a refund of any amounts withheld by filing a U.S. federal income tax return (which may entail significant administrative burden). You should consult your tax adviser regarding the effects of FATCA on your investment in our common stock.

Federal Estate Tax

Individual Non-U.S. Holders and entities the property of which is potentially includible in such an individual's gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers), should note that, absent an applicable treaty exemption, our common stock will be treated as U.S.-situs property subject to U.S. federal estate tax.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no market for our common stock. Future sales of substantial amounts of our common stock in the public market could adversely affect market prices prevailing from time to time. Furthermore, because only a limited number of shares will be available for sale shortly after this offering due to existing contractual and legal restrictions on resale as described below, there may be sales of substantial amounts of our common stock in the public market after the restrictions lapse. This may adversely affect the prevailing market price and our ability to raise equity capital in the future.

Upon completion of this offering, we will have 202,625,000 shares of common stock outstanding (or 209,700,500 shares, if the underwriters exercise their option to purchase additional shares in full). Of these shares, the 47,170,000 shares of common stock, or 54,245,500 shares of common stock if the underwriters exercise their option to purchase additional shares in full, sold in this offering will be freely transferable without restriction or registration under the Securities Act, except for any shares purchased by one of our existing "affiliates," as that term is defined in Rule 144 under the Securities Act. The shares of common stock issued pursuant to the IPO Grants will be subject to vesting conditions. The 155,455,000 shares of common stock held by PFL upon the closing of the offering are "restricted shares" as defined in Rule 144. Restricted shares may be sold in the public market only if registered or if they qualify for an exemption from registration under Rules 144 of the Securities Act. As a result of the contractual 180-day lock-up period described below and the provisions of Rules 144, these shares will be available for sale in the public market as follows:

Number of Shares	Date
0	On the date of this prospectus.
155,455,000	After 180 days from the date of this prospectus (subject to volume limitations).

Rule 144

In general, a person (or persons whose shares are aggregated) who has beneficially owned restricted shares of our common stock for at least six months would be entitled to sell such securities, provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the 90 days preceding, a sale and (ii) we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Persons who have beneficially owned restricted shares of our common stock for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three month period only a number of securities that does not exceed the greater of either of the following:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately 2,026,250 shares immediately after this offering, assuming no exercise of the underwriters' option to purchase additional shares; or
- the average weekly trading volume of our common stock on the Nasdaq during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale;

provided, in each case, that we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the manner of sale, current public information and notice provisions of Rule 144 to the extent applicable.

Registration Statement on Form S-8

We intend to file a registration statement on Form S-8 under the Securities Act to register all of the shares of common stock subject to issuance under the Incentive Plan and the IPO Grants, which will be adopted in connection with this offering. We expect to file this registration statement as promptly as possible after the completion of this offering. Any such Form S-8 registration statement will automatically become effective upon filing. Accordingly, shares registered under such registration statement will be available for sale in the open market, subject to vesting or transfer restrictions that may be applicable to such awards. We expect that the registration statement on Form S-8 relating to the IPO Grants and the Incentive Plan, which will be adopted in connection with this offering, will cover approximately 10,485,025 shares of common stock.

Registration Rights

In connection with this offering, we will enter into an agreement that will provide that PFL will be entitled to various rights with respect to the registration of the offer and sale of the shares it holds under the Securities Act. If the offer and sale of these shares is registered, these shares will become freely tradable without restriction under the Securities Act immediately upon the effectiveness of the registration, except for shares purchased by affiliates.

Lock-up Agreements

We, our directors, our executive officers and PFL have agreed, subject to certain exceptions, not to offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock for a period of 180 days after the date of this prospectus, without the prior written consent of Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC. See “Underwriting (Conflicts of Interest)” for a description of the lock-up agreements applicable to our shares.

UNDERWRITING (CONFLICTS OF INTEREST)

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, we have agreed to sell to the underwriters named below, for whom Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC are acting as representatives, the following respective number of shares of common stock:

Name	Number of Shares
Credit Suisse Securities (USA) LLC	
Goldman Sachs & Co. LLC	
J.P. Morgan Securities LLC	
Barclays Capital Inc.	
Citigroup Global Markets Inc.	
Evercore Group L.L.C.	
RBC Capital Markets, LLC	
HSBC Securities (USA) Inc.	
Stifel, Nicolaus & Company, Incorporated	
SunTrust Robinson Humphrey, Inc.	
Academy Securities, Inc.	
Total	

The underwriting agreement provides that the underwriters are obligated to purchase all the shares of common stock in this offering if any are purchased, other than those shares covered by the option to purchase additional shares described below. The underwriting agreement also provides that if an underwriter defaults the purchase commitments of non-defaulting underwriters may be increased or this offering may be terminated.

We have agreed to indemnify the underwriters and Credit Suisse Securities (USA) LLC in its capacity as qualified independent underwriter and certain of their controlling persons against certain liabilities, including liabilities under the Securities Act, and to contribute to payments that the underwriters may be required to make in respect of those liabilities.

We have granted the underwriters a 30-day option to purchase on a pro rata basis up to 7,075,500 additional shares of common stock from us at the initial public offering price less the underwriting discounts and commissions. The option may be exercised only to cover any over-allotments of common stock.

The underwriters propose to offer the shares of common stock initially at the public offering price on the cover page of this prospectus and to selling group members at that price less a selling concession of up to $ per share. After the initial public offering the representatives may change the public offering price and selling concession. The offering of the shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

The following table summarizes the compensation and estimated expenses we will pay.

	Per Share		Total	
	Without Option	With Option	Without Option	With Option
Underwriting discounts and commissions	$	$	$	$
Expenses payable	$	$	$	$

We have agreed to reimburse the underwriters for expenses of up to $50,000 related to clearance of this offering with the Financial Industry Regulatory Authority, Inc., or FINRA. The underwriters have also agreed to reimburse us for certain of our expenses incurred by us with respect to this offering.

We have agreed, subject to certain exceptions, that we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the SEC a registration statement under the Securities Act relating to, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, without the prior written consent of Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC for a period of 180 days after the date of this prospectus.

Our executive officers and directors and PFL have agreed that they will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC for a period of 180 days after the date of this prospectus, subject to certain exceptions.

We intend to apply to list our common stock on Nasdaq, under the symbol “REYN.”

Prior to this offering, there has been no public market for our common stock. The initial public offering price was determined by negotiations between us and the representatives and will not necessarily reflect the market price of the common stock following this offering. The principal factors that were considered in determining the initial public offering price included:

- the information presented in this prospectus and otherwise available to the underwriters;
- the history of, and prospects for, the industry in which we will compete;
- the ability of our management;
- the prospects for our future earnings;
- the present state of our development, results of operations and our current financial condition;
- the general condition of the securities markets at the time of this offering; and
- the recent market prices of, and the demand for, publicly traded common stock of generally comparable companies.

We cannot assure you that the initial public offering price will correspond to the price at which the common stock will trade in the public market subsequent to this offering or that an active trading market for the common stock will develop and continue after this offering.

In connection with this offering the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions and penalty bids.

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- Over-allotment involves sales by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by the underwriters is not greater than the number of shares that they may purchase in

the option to purchase additional shares. In a naked short position, the number of shares involved is greater than the number of shares in the option to purchase additional shares. The underwriters may close out any covered short position by either exercising their option to purchase additional shares and/or purchasing shares in the open market.

- Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option to purchase additional shares. If the underwriters sell more shares than could be covered by the option to purchase additional shares, a naked short position, the position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase shares in this offering.
- Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result the price of our common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on Nasdaq or otherwise and, if commenced, may be discontinued at any time.

A prospectus in electronic format may be made available on the web sites maintained by one or more of the underwriters, or selling group members, if any, participating in this offering and one or more of the underwriters participating in this offering may distribute prospectuses electronically. The representatives may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters and selling group members that will make internet distributions on the same basis as other allocations.

The underwriters and their respective affiliates are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. These investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

An affiliate of Goldman Sachs & Co. LLC, an underwriter in this offering, is the lender under our IPO Settlement Facility that will be repaid with net proceeds of this offering. See “Use of Proceeds”. As a result of the repayment of our IPO Settlement Facility, we expect affiliates of Goldman Sachs & Co. LLC will receive at least 5% of the net proceeds of this offering. As a result of this repayment, we expect a “conflict of interest” will be deemed to exist under FINRA Rule 5121(f)(5)(C)(i), and this offering will be made in compliance with the applicable provisions of FINRA Rule 5121. To comply with Rule 5121, Goldman Sachs & Co. LLC will not

confirm any sales to any account over which it exercises discretionary authority without the specific written approval of the transaction from the account holder.

Rule 5121 requires that a "qualified independent underwriter" has participated in the preparation of the offering documents and has exercised the usual standards of due diligence in respect thereto. Accordingly, Credit Suisse Securities (USA) LLC is assuming the responsibilities of acting as the qualified independent underwriter in pricing the offering and conducting due diligence.

Credit Suisse Loan Funding LLC, an affiliate of Credit Suisse Securities (USA) LLC, is the lead arranger and bookrunner for the New Term Loan Facility. Credit Suisse AG, Cayman Islands Branch, an affiliate of Credit Suisse Securities (USA) LLC, is anticipated to be the administrative agent and the collateral agent in respect of the New Term Loan Facility and is anticipated to be a lender and an issuing bank thereunder. Certain of the other underwriters or their affiliates are also acting as arrangers and bookrunners for, and are anticipated to be lenders and issuing banks under, the New Term Loan Facility.

Certain affiliates of Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC and certain of the other underwriters have preexisting lending relationships with PHL, PFL and/or RGHL Group and certain of their respective affiliates.

Goldman Sachs & Co. LLC and JPMorgan Securities plc, an affiliate of J.P. Morgan Securities LLC, and certain of their current or former affiliates are among the named defendants in consolidated antitrust lawsuits brought by several groups of plaintiffs, including an affiliate of Reynolds Consumer Products Inc. The plaintiffs allege violations of federal antitrust laws and state laws in connection with the storage of aluminum and aluminum trading between 2010 and 2016. This case is currently pending in the United States District Court for the Southern District of New York.

Selling Restrictions

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area (each a "Member State"), no securities have been offered or will be offered to the public in that Member State prior to the publication of a prospectus in relation to the securities which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation, except that offers of securities may be made to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of securities shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any securities to be offered so as to enable an investor to decide to purchase or subscribe for any securities, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Notice to Prospective Investors in the United Kingdom

Each of the underwriters severally represents, warrants and agrees as follows:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (FSMA)) received by it in connection with the issue or sale of the securities in circumstances in which Section 21 of the FSMA does not apply to us; and

(b) it has complied with, and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the securities in, from or otherwise involving the United Kingdom.

Notice to Prospective Investors in Canada

The securities may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to Prospective Investors in Switzerland

The securities may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX, or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the securities or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company or the securities have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of securities will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA, or FINMA, and the offer of securities has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in Hong Kong

The securities may not be offered or sold in Hong Kong by means of any document other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong and any rules made under that Ordinance, or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap.32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the depositary securities may be issued or may be in the possession of any person for the purpose of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to depositary securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of securities may not be circulated or distributed, nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than:

(i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the ‘‘SFA’’),

(ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or

(iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notice to Prospective Investors in Australia

This prospectus is not a formal disclosure document and has not been, nor will be, lodged with the Australian Securities and Investments Commission. It does not purport to contain all information that an investor or their professional advisers would expect to find in a prospectus or other disclosure document (as defined in the Corporations Act 2001 (Australia)) for the purposes of Part 6D.2 of the Corporations Act 2001 (Australia) or in a product disclosure statement for the purposes of Part 7.9 of the Corporations Act 2001 (Australia), in either case, in relation to the securities. The securities are not being offered in Australia to "retail clients" as defined in sections 761G and 761GA of the Corporations Act 2001 (Australia). This offering is being made in Australia solely to "wholesale clients" for the purposes of section 761G of the Corporations Act 2001 (Australia) and, as such, no prospectus, product disclosure statement or other disclosure document in relation to the securities has been, or will be, prepared.

This prospectus does not constitute an offer in Australia other than to persons who do not require disclosure under Part 6D.2 of the Corporations Act 2001 (Australia) and who are wholesale clients for the purposes of section 761G of the Corporations Act 2001 (Australia). By submitting an application for the securities, you represent and warrant to us that you are a person who does not require disclosure under Part 6D.2 and who is a wholesale client for the purposes of section 761G of the Corporations Act 2001 (Australia). If any recipient of this prospectus is not a wholesale client, no offer of, or invitation to apply for, the securities shall be deemed to be made to such recipient and no applications for such securities will be accepted from such recipient. Any offer to a recipient in Australia, and any agreement arising from acceptance of such offer, is personal and may only be accepted by the recipient. In addition, by applying for the securities you undertake to us that, for a period of 12 months from the date of issue of the securities, you will not transfer any interest in the securities to any person in Australia other than to a person who does not require disclosure under Part 6D.2 and who is a wholesale client.

LEGAL MATTERS

The validity of the issuance of the shares of capital stock offered hereby and certain legal matters in connection with this offering will be passed upon for us by Davis Polk & Wardwell LLP. The underwriters have been represented by Cravath, Swaine & Moore LLP.

EXPERTS

The financial statements as of December 31, 2018 and 2017 and for each of the three years in the period ended December 31, 2018 included in this prospectus have been so included in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common stock offered hereby. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules thereto. For further information with respect to the Company and its common stock, reference is made to the registration statement and the exhibits and any schedules filed therewith. Statements contained in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each statement being qualified in all respects by such reference. The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements and other information we have filed electronically with the SEC.

As a result of this offering, we will be required to file periodic reports and other information with the SEC. We also maintain a website at www.reynoldsconsumerproducts.com. Our website and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus or the registration statement of which it forms a part.

We intend to make available to our stockholders annual reports containing consolidated financial statements audited by an independent registered public accounting firm.

Reynolds Consumer Group
Combined Financial Statements
INDEX TO COMBINED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Shareholder and Board of Directors of Reynolds Group Holdings Limited

Opinion on the Financial Statements

We have audited the accompanying combined balance sheets of the Reynolds Consumer Group, which is comprised of the Reynolds Consumer Products segment of Reynolds Group Holdings Limited, (the "Company") as of December 31, 2018 and 2017, and the related combined statements of income, of comprehensive income, of equity (deficit) and of cash flows for each of the three years in the period ended December 31, 2018, including the related notes (collectively referred to as the "combined financial statements"). In our opinion, the combined financial statements present fairly, in all material respects, the combined financial position of the Reynolds Consumer Group as of December 31, 2018 and 2017, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2018 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These combined financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's combined financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these combined financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the combined financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the combined financial statements. We believe that our audits provide a reasonable basis for our opinion.

Subsequent Event

As discussed in Note 15 to the combined financial statements, the Company settled significant related party balances with Reynolds Group Holdings Limited and its subsidiaries in June 2019.

/s/ PricewaterhouseCoopers LLP

Chicago, Illinois
August 28, 2019, except for the effects of the segment change described in Note 13, as to which the date is October 25, 2019.

We have served as the Company's auditor since 2015.

Reynolds Consumer Group

Combined Statements of Income
For the Years Ended December 31
(in millions)

	2018	2017	2016
Net revenues	$ 2,981	$ 2,809	$ 2,792
Related party net revenues	161	148	143
Total net revenues	**3,142**	**2,957**	**2,935**
Cost of sales	(2,310)	(2,095)	(2,048)
Gross profit	**832**	**862**	**887**
Selling, general and administrative expenses	(288)	(294)	(325)
Other expense, net	(31)	(28)	(28)
Income from operations	**513**	**540**	**534**
Non-operating expense, net	—	—	(10)
Interest expense, net	(280)	(322)	(391)
Income before income taxes	**233**	**218**	**133**
Income tax (expense) benefit	(57)	84	(54)
Net income	**$ 176**	**$ 302**	**$ 79**

See accompanying notes to the combined financial statements.

Reynolds Consumer Group

Combined Statements of Comprehensive Income
For the Years Ended December 31
(in millions)

	2018	2017	2016
Net income	$176	$302	$ 79
Other comprehensive income, net of income taxes:			
Currency translation adjustment	(2)	2	—
Postretirement benefit plans	3	(1)	4
Other comprehensive income, net of income taxes	1	1	4
Comprehensive income	**$177**	**$303**	**$ 83**

See accompanying notes to the combined financial statements.

Reynolds Consumer Group

Combined Balance Sheets
As of December 31
(in millions)

	2018	2017
Assets		
Cash and cash equivalents	$ 23	$ 23
Accounts receivable, net	16	9
Other receivables	12	12
Related party receivables	30	64
Inventories	429	371
Other current assets	6	8
Total current assets	**516**	**487**
Property, plant and equipment, net	464	424
Goodwill	1,879	1,879
Intangible assets, net	1,155	1,186
Related party receivables	2,401	1,929
Other assets	6	6
Total assets	**$ 6,421**	**$ 5,911**
Liabilities		
Accounts payable	$ 136	$ 121
Related party payables	268	245
Related party accrued interest payable	576	367
Current portion of long-term debt	21	21
Current portion of related party borrowings	250	3,610
Income taxes payable	11	7
Accrued and other current liabilities	123	111
Total current liabilities	**1,385**	**4,482**
Long-term debt	2,009	2,028
Long-term related party borrowings	3,700	317
Deferred income taxes	296	320
Long-term postretirement benefit obligation	44	49
Other liabilities	14	13
Total liabilities	**$ 7,448**	**$ 7,209**
Commitments and contingencies (Note 10)		
Equity (deficit)		
Net Parent deficit	(1,034)	(1,304)
Accumulated other comprehensive income	7	6
Total equity (deficit)	**(1,027)**	**(1,298)**
Total liabilities and equity (deficit)	**$ 6,421**	**$ 5,911**

See accompanying notes to the combined financial statements.

Reynolds Consumer Group

Combined Statements of Equity (Deficit)
(in millions)

	Net Parent (Deficit)	Accumulated Other Comprehensive Income	Total Equity (Deficit)
Balance as of December 31, 2015	**$ (1,641)**	**$ 1**	**$ (1,640)**
Net income	79	—	**79**
Other comprehensive income, net of income taxes	—	4	**4**
Net transfers (to) from Parent	40	—	**40**
Balance as of December 31, 2016	**$ (1,522)**	**$ 5**	**$ (1,517)**
Net income	302	—	**302**
Other comprehensive income, net of income taxes	—	1	**1**
Net transfers (to) from Parent	(84)	—	**(84)**
Balance as of December 31, 2017	**$ (1,304)**	**$ 6**	**$ (1,298)**
Adoption of new accounting principle	(5)	—	**(5)**
Net income	176	—	**176**
Other comprehensive income, net of income taxes	—	1	**1**
Net transfers (to) from Parent	99	—	**99**
Balance as of December 31, 2018	**$ (1,034)**	**$ 7**	**$ (1,027)**

See accompanying notes to the combined financial statements.

Reynolds Consumer Group

Combined Statements of Cash Flows
For the Years Ended December 31
(in millions)

	2018	2017	2016
Cash provided by (used in) operating activities			
Net income	$ 176	$ 302	$ 79
Adjustments to reconcile net income to operating cash flows:			
Depreciation and amortization	87	90	97
Deferred income taxes	(22)	(158)	(3)
Unrealized losses (gains) on derivatives	14	(4)	(8)
Non-cash portion of employee benefit obligations	1	2	15
Other non-cash items, net	—	12	23
Change in assets and liabilities:			
Accounts receivables, net	(7)	44	4
Other receivables	—	(5)	(5)
Related party receivables	34	(31)	(13)
Inventories	(65)	(78)	(15)
Accounts payable	16	(4)	5
Related party payables	22	(7)	64
Related party accrued interest payable	210	185	79
Income taxes payable	71	67	54
Accrued and other current liabilities	(4)	(19)	19
Other assets and liabilities	—	2	1
Employee benefit obligations, net	(3)	(3)	(3)
Net cash provided by operating activities	**530**	**395**	**393**
Cash provided by (used in) investing activities			
Acquisition of property, plant and equipment	(82)	(56)	(43)
Advances to related parties	(537)	(508)	(650)
Repayments from related parties	65	200	109
Net cash used in investing activities	**(554)**	**(364)**	**(584)**
Cash provided by (used in) financing activities			
Long-term debt repayments	(21)	(21)	(167)
Advances from related parties	338	416	617
Repayments to related parties	(314)	(453)	(255)
Deferred financing transaction costs on long-term debt	—	—	(8)
Net transfers from (to) Parent	21	18	(5)
Other	—	—	(2)
Net cash provided by (used in) financing activities	**24**	**(40)**	**180**
Cash and cash equivalents:			
Increase (decrease) in cash and cash equivalents	—	(9)	(11)
Balance as of beginning of the year	23	32	43
Balance as of end of the year	**$ 23**	**$ 23**	**$ 32**
Cash paid:			
Interest—long-term debt	99	85	51
Interest—related party borrowings	24	61	207
Income taxes	8	7	3

Significant non-cash investing and financing activities

Refer to Note 14—Related Party Transactions for details of significant non-cash investing and financing activities.

See accompanying notes to the combined financial statements.

Reynolds Consumer Group

Notes to the Combined Financial Statements

Note 1—Description of Business and Basis of Presentation

Description of Business:

Reynolds Consumer Group ("we", "us" or "our") comprises the business that has been reported as the Reynolds Consumer Products segment in the consolidated financial statements of Reynolds Group Holdings Limited ("RGHL") and its subsidiaries (collectively, "RGHL Group" or the "Parent").

We produce and sell products across three broad categories: cooking products, waste & storage products and tableware. We sell our products under brands such as Reynolds® and Hefty®, and also under store brands. Our product portfolio includes aluminum foil, wraps, disposable bakeware, trash bags, food storage bags and disposable tableware. We report four business segments: Reynolds Cooking & Baking; Hefty Waste & Storage; Hefty Tableware; and Presto Products.

Basis of Presentation:

We have historically operated as part of RGHL Group and not as a stand-alone entity. Our combined financial statements present the results of operations, financial position and cash flows prepared on a stand-alone basis and have been derived from the consolidated financial statements and accounting records of RGHL Group. All revenues and costs as well as assets and liabilities that are either legally attributable to us or directly associated with our business activities are included in our combined financial statements. Intercompany transactions, profits and balances between our combined entities have been eliminated. Our combined financial statements include Reynolds Consumer Products Inc., the entity whose shares will be issued to the public. Our combined financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Our combined statements of income include allocations of certain expenses for services provided by RGHL Group, including, but not limited to, general corporate expenses related to group wide functions including executive management, finance, legal, tax, information technology and a portion of a related party management fee incurred by RGHL Group. Total costs allocated to us for these functions were $40 million, $37 million and $39 million for the years ended December 31, 2018, 2017 and 2016, respectively, and were primarily included in selling, general and administrative expenses in our combined statements of income. These amounts include costs of $21 million, $20 million and $23 million for the years ended December 31, 2018, 2017 and 2016, respectively, that were not historically allocated to us as part of RGHL Group's normal monthly reporting process. All of these expenses have been allocated on a basis considered reasonable by management, using either specific identification, such as direct usage or headcount when identifiable, or proportional allocations determined with reference to time incurred, relative to revenues, or other reasonable methods of allocation. Amounts allocated on a proportional basis relate to certain corporate functions and are reflective of the time and effort expended in the provision of these corporate functions to us.

The allocations referred to above may not, however, reflect all actual expenses we would have incurred and may not reflect the combined results of operations, financial position and cash flows had we operated as a stand-alone company during the years presented. The amount of actual costs that may have been incurred if we were a stand-alone company would depend on a number of factors, including our chosen organizational structure, which functions were performed by our employees or outsourced and strategic decisions made in areas such as information technology and infrastructure.

RGHL Group centrally manages substantially all of our financial resources. We finance our operating and capital requirements through a combination of cash provided by operations, RGHL Group's external borrowings

that we have incurred and intercompany funding with RGHL Group. We are a borrower under a portion of RGHL Group's external borrowings and therefore a portion of this third-party debt is reflected as long-term debt on our combined balance sheets. Refer to Note 6—Debt and Borrowing Arrangements for further information. Our intercompany funding with RGHL Group, which is subject to various legal agreements with RGHL Group, is reflected in related party borrowings on our combined balance sheets. We also advance surplus cash to RGHL Group as part of its cash management activities. The balance of these amounts is reflected in non-current related party receivables in our combined balance sheets. Refer to Note 14—Related Party Transactions for further information.

Net Parent deficit represents the Parent's interest in our net assets. As a direct ownership relationship does not exist between the various entities of our combined group, a Net Parent deficit account is shown in our combined financial statements. The majority of transactions between us and RGHL Group have a history of settlement or are expected to be settled for cash as part of the share offering. These transactions have been reflected in our combined balance sheets as related party receivables and payables. Transactions that do not have a history of settlement are reflected in equity (deficit) in our combined balance sheets as Net Parent deficit and, when cash is utilized (contributed), in our combined statements of cash flows as a financing activity in net transfers from (to) Parent. Refer to Note 14—Related Party Transactions for further information.

Net Current Liabilities:

As we are an operating segment of RGHL Group, cash management decisions by RGHL Group have an impact on our combined financial statements. Those decisions include matters such as the terms of related party borrowings, including maturity dates, and whether cash is advanced to RGHL Group through the repayment of accrued interest or outstanding borrowings, or by way of a new related party receivable. As a result, our combined balance sheets present net current liabilities (total current assets less total current liabilities). Refer to Note 2—Summary of Significant Accounting Policies and Note 14—Related Party Transactions for further details regarding related party transactions and balances, as well as Note 15—Subsequent Events for further details regarding the settlement of certain related party balances in June 2019.

Note 2—Summary of Significant Accounting Policies

Use of Estimates:

We prepare our combined financial statements in accordance with U.S. GAAP, which requires us to make estimates and assumptions that affect a number of amounts in our combined financial statements. Significant accounting policy elections, estimates and assumptions include, among others, benefit plan assumptions, valuation assumptions of goodwill and intangible assets, useful lives of long-lived assets, sales incentives and income taxes. We base our estimates on historical experience and other assumptions that we believe are reasonable. If actual amounts differ from estimates, we include the revisions in our combined results of operations in the period the actual amounts become known. Historically, the aggregate differences, if any, between our estimates and actual amounts in any year have not had a material effect on our combined financial statements.

Currency Translation:

Our combined financial statements are presented in U.S. dollars, which is our reporting currency. We translate the results of operations of our subsidiaries with functional currencies other than the U.S. dollar using average exchange rates during each period and translate balance sheet accounts using exchange rates at the end of each period. We record currency translation adjustments as a component of equity (deficit) within accumulated

other comprehensive income and transaction gains and losses in other expense, net in our combined statements of income.

Cash and Cash Equivalents:

Cash and cash equivalents include demand deposits with banks and all highly liquid investments with original maturities of three months or less. We maintain our bank accounts with a relatively small number of high quality financial institutions. Cash balances held by non-U.S. entities as of December 31, 2018 and 2017 were $4 million and $7 million, respectively.

Accounts Receivable:

Accounts receivable are recorded at face amounts less an allowance for doubtful accounts. The allowance is an estimate based on historical collection experience, current economic and market conditions and a review of the current status of each customer's trade accounts receivable balance. We evaluate the aging of the accounts receivable balances and the financial condition of our customers to estimate the amount of accounts receivable that may not be collected in the future and record the appropriate provision. Substantially all of our U.S. accounts receivables are transferred in their entirety to RGHL Group and are accounted for as a sale in accordance with our accounts receivable factoring arrangement described below. The allowance for doubtful accounts related to the accounts receivable of our non-U.S. operations was less than $1 million in each of the years presented.

Variable Interest Entities:

Variable interest entities ("VIEs") are primarily entities that lack sufficient equity to finance their activities without additional financial support from other parties or whose equity holders, as a group, lack one or more of the following characteristics: (a) direct or indirect ability to make decisions, (b) obligation to absorb expected losses or (c) right to receive expected residual returns. VIEs must be evaluated quantitatively and qualitatively to determine the primary beneficiary, which is the reporting entity that has (a) the power to direct activities of a VIE that most significantly impact the VIE's economic performance and (b) the obligation to absorb losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. The primary beneficiary is required to consolidate the VIE for financial reporting purposes. To determine a VIE's primary beneficiary, we perform a qualitative assessment to determine which party, if any, has the power to direct activities of the VIE and the obligation to absorb losses and or receive its benefits. This assessment involves identifying the activities that most significantly impact the VIE's economic performance and determine whether we, or another party, has the power to direct those activities. In each of the years presented, we had a variable interest in one VIE related to our factoring arrangement with RGHL Group, described below.

Transfers of Financial Assets:

We account for transfers of financial assets, such as non-recourse accounts receivable factoring arrangements, when we have surrendered control over the related assets. Determining whether control has transferred requires an evaluation of relevant legal considerations, an assessment of the nature and extent of our continuing involvement with the assets transferred and any other relevant considerations. We have a non-recourse factoring arrangement in which we sell eligible receivables to a special purpose entity ("SPE") consolidated by RGHL Group in exchange for cash. We transfer sold accounts receivables in their entirety to RGHL Group and satisfy all of the conditions to report the transfer of financial assets in their entirety as a sale. We continue to collect the receivables sold, acting solely as a collecting agent on behalf of RGHL Group, and

received income of $1 million in each of the years presented for this service. We have not recognized any assets or liabilities related to the servicing arrangement as of December 31, 2018 and 2017. The SPE is considered to be a VIE, however we are not its primary beneficiary because we do not have the power to direct any of its most significant activities through our arrangement as a collecting agent. The principal amount of receivables sold under this arrangement was $3,101 million, $2,952 million and $2,900 million during the years ended December 31, 2018, 2017 and 2016, respectively, and represents substantially all of our U.S. accounts receivable. The balance of receivables sold, and still outstanding, was $264 million and $260 million as of December 31, 2018 and 2017, respectively. The incremental costs of factoring receivables under this arrangement are included in other expense, net in our combined statements of income. Refer to Note 9—Other Expense, Net for additional information. The proceeds from the sales of receivables are included in cash from operating activities in our combined statements of cash flows.

Inventories:

We value our inventories using the first-in, first-out method. Inventory is valued at actual cost, which includes raw materials, supplies, direct labor and manufacturing overhead associated with production. Inventory is stated at the lower of cost or net realizable value, which includes any costs to sell or dispose. In addition, appropriate consideration is given to obsolescence, excessive inventory levels, product deterioration and other factors in evaluating net realizable value.

Long-Lived Assets:

Property, plant and equipment are stated at historical cost less depreciation, which is computed using the straight-line method over the estimated useful lives of the assets. Machinery and equipment are depreciated over periods ranging from 5 to 20 years and buildings and building improvements over periods ranging from 15 to 40 years. Finite-lived intangible assets, which primarily consist of customer relationships, are stated at historical cost and amortized using the straight-line method (which reflects the pattern of how the assets' economic benefits are consumed) over the assets' estimated useful lives which range from 18 to 20 years.

Expenditures for maintenance and repairs are expensed as incurred. When property, plant or equipment is sold or otherwise disposed of, the related cost and accumulated depreciation is removed from the respective accounts and any gain or loss realized on disposition is reflected in other expense, net in our combined statements of income.

We review long-lived assets, including finite-lived intangible assets, for recoverability on an ongoing basis. Changes in depreciation or amortization are recorded prospectively when estimates of the remaining useful lives or residual values of long-lived assets change. We also review our long-lived assets for impairment when conditions exist that indicate the carrying amount of the assets may not be fully recoverable. In those circumstances, we perform undiscounted cash flow analysis to determine if an impairment exists. When testing for asset impairment, we group assets and liabilities at the lowest level for which cash flows are separately identifiable. If an impairment loss is recorded, it is calculated as the excess of the asset's carrying value over its estimated fair value as determined by an estimate of discounted future cash flows. Depending on the nature of the asset, impairment losses are recorded in either cost of sales or selling, general and administrative expenses in our combined statements of income. There were no impairments of long-lived assets in any of the years presented.

Leases:

We classify leases at inception date as either a capital lease or an operating lease. A lease is a capital lease if any of the following conditions exist: (a) ownership is transferred to the lessee by the end of the lease term,

(b) there is a bargain purchase option, (c) the lease term is at least 75% of the property's estimated remaining economic life, or (d) the present value of the minimum lease payments at the beginning of the lease term is 90% or more of the fair value of the leased property to the lessor at the inception date. We had no capital leases during any of the years presented. We account for all other leases as operating leases wherein rental payments are expensed on a straight-line basis over their respective lease term.

Goodwill and Indefinite-Lived Intangible Assets:

Goodwill represents the excess of purchase price over the fair value of net assets acquired. We test goodwill for impairment on an annual basis in the fourth quarter and whenever events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable. We assess goodwill impairment risk by performing a qualitative review of entity-specific, industry, market and general economic factors affecting our goodwill reporting units. Depending on factors such as prior-year test results, current year developments, current risk evaluations and other practical considerations, we may elect to perform quantitative testing instead. In our quantitative testing, we compare a reporting unit's estimated fair value with its carrying value. Estimating the fair value of individual reporting units requires us to make assumptions and estimates regarding our future plans and industry and economic conditions. The key assumptions associated with determining the estimated fair value are forecasted Adjusted EBITDA and a relevant earnings multiple. Our actual results and conditions may differ over time. If the carrying value of a reporting unit's net assets exceeds its fair value, we would recognize an impairment charge for the amount by which the carrying value exceeds the reporting unit's fair value.

Our indefinite-lived intangible assets consist of certain trade names. We test indefinite-lived intangible assets for impairment on an annual basis in the fourth quarter and whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If potential impairment risk exists for a specific asset, we quantitatively test it for impairment by comparing its estimated fair value with its carrying value. We determine estimated fair value using the relief-from-royalty method, using key assumptions including planned revenue growth rates, market-based discount rates and estimates of royalty rates. If the carrying value of the asset exceeds its fair value, we consider the asset impaired and reduce its carrying value to the estimated fair value.

Revenue Recognition:

On January 1, 2018 we adopted the requirements of ASC Topic 606 *Revenue from Contracts with Customers*, which contains a new revenue recognition framework, on a modified retrospective basis. Our accounting policies for revenue recognition for the current year and previous years are presented below.

From January 1, 2018, after assessing our customers' creditworthiness, we recognize revenue when control over products transfers to our customers, which generally occurs upon delivery or shipment of the products. We account for product shipping, handling and insurance as fulfillment activities, with revenues for these activities recorded in net revenues and costs recorded in cost of sales. Any taxes collected on behalf of government authorities are excluded from net revenues.

Consideration in our contracts with customers is variable due to anticipated reductions such as discounts, allowances and trade promotions, collectively referred to as "sales incentives". Accordingly, revenues are recorded net of estimated sales incentives, based on known or expected adjustments. The transaction price reflects our estimate of the amount of consideration to which we will be entitled, using an expected value method. We base these estimates principally on historical utilization and redemption rates, anticipated performance and our best judgment at the time to the extent that it is probable that a significant reversal of revenue recognized will not occur. Estimates of sales incentives are monitored and adjusted each period until the sales incentives are realized.

Reynolds Consumer Group

Notes to the Combined Financial Statements

We consider purchase orders, which in some cases are governed by master supply agreements, to be the contracts with a customer. Key sales terms, such as pricing and quantities ordered, are established frequently, so most customer arrangements and related sales incentives have a duration of one year or shorter. We generally do not have any unbilled receivables at the end of a period. Deferred revenues are not material and primarily include customer advance payments typically collected a few days before product delivery, at which time deferred revenues are reclassified and recorded as net revenues. We generally do not receive non-cash consideration for the sale of goods nor do we grant payment financing terms greater than one year. We do not incur any significant costs to obtain a contract.

Prior to January 1, 2018, we recognized revenue when the sales price was determinable and the risks and rewards of ownership had transferred to the customer as determined by the shipping terms. Revenues were recorded net of sales incentives, which were based on historical promotional experience.

Marketing, Advertising and Research and Development:

We promote our products with marketing and advertising programs. These programs include, but are not limited to, cooperative advertising, in-store displays and consumer marketing promotions. The costs of end-consumer marketing programs that are conducted in conjunction with our customers, such as coupons, are recorded as a reduction to revenue. We do not defer these costs on our combined balance sheets and all marketing and advertising costs are recorded as an expense in the year incurred. Advertising expense was $55 million, $56 million and $80 million in the years ended December 31, 2018, 2017 and 2016, respectively. We expense product research and development costs as incurred. Research and development expense was $29 million, $27 million and $30 million in the years ended December 31, 2018, 2017 and 2016, respectively. We record marketing and advertising as well as research and development expenses in selling, general and administrative expenses.

Employee Benefit Plans:

We provide benefits to our current and retired employees. The cost for these plans is recognized in income primarily over the working life of the covered employee. We participate in a defined benefit plan sponsored by RGHL Group, which is accounted for as a multiemployer plan in our combined financial statements. We also sponsor a postretirement benefit plan which is accounted for as a single employer plan in our combined financial statements. See Note 8—Benefit Plans for additional information.

Financial Instruments:

We are exposed to price risk related to forecasted purchases of certain commodities that we primarily use as raw materials. From time to time we may enter into derivative financial instruments to mitigate certain risks. We are not a party to leveraged derivatives and, by policy, do not use financial instruments for speculative purposes.

We record derivative financial instruments on a gross basis and at fair value in our combined balance sheets in other current assets or accrued and other current liabilities due to their relatively short-term duration. Cash flows from derivative instruments are classified as operating activities in our combined statements of cash flows based on the nature of the derivative instrument. Historically, we have not elected to use hedge accounting. Accordingly, any unrealized gains or losses (mark-to-market impacts) and realized gains or losses are recorded in cost of sales in our combined statements of income.

Income Taxes:

During the years presented, our U.S. operations were included in consolidated U.S. federal, certain state and local tax returns filed by RGHL Group. We also file certain separate U.S. state and local and foreign income tax

returns. The income tax expense (benefit) included in our combined statements of income has been calculated using the separate return basis. It is possible that we will make different tax accounting elections and assertions subsequent to our shares being issued to the public. Therefore, our income taxes, as presented in our combined financial statements, may not be indicative of our income taxes in the future. In jurisdictions where we have been included in tax returns filed by RGHL Group, any income taxes payable resulting from the related income tax expense has been reflected in the combined balance sheets in Net Parent deficit.

Our income tax expense includes amounts payable or refundable for the current year, the effects of deferred taxes and impacts from uncertain tax positions. We recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the financial statement and tax basis of our assets and liabilities, operating loss carryforwards and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply in the years in which those differences are expected to reverse.

The realization of certain deferred tax assets is dependent on generating sufficient taxable income in the appropriate jurisdiction prior to the expiration of the carryforward periods. Deferred tax assets are reduced by a valuation allowance if it is more likely than not that some portion, or all, of the deferred tax assets will not be realized. When assessing the need for a valuation allowance, we consider any carryback potential, future reversals of existing taxable temporary differences (including liabilities for unrecognized tax benefits), future taxable income and tax planning strategies.

We recognize tax benefits in our combined financial statements from uncertain tax positions only if it is more likely than not that the tax position will be sustained based on the technical merits of the position. The amount we recognize is measured as the largest amount of benefit that is greater than 50 percent likely of being realized upon resolution. Future changes related to the expected resolution of uncertain tax positions could affect tax expense in the period when the change occurs.

Fair Value Measurements and Disclosures:

U.S. GAAP establishes a hierarchy for measuring fair value. A financial instrument’s categorization within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. The following three levels of inputs may be used to measure fair value:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs include inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of assets or liabilities.
- Level 3 inputs are unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Our assets and liabilities measured at fair value on a recurring basis are presented in Note 7—Financial Instruments. We have no assets or liabilities measured at fair value on a non-recurring basis in any of the years presented.

In addition to fair value disclosure requirements related to financial instruments carried at fair value, accounting standards require disclosures regarding the fair value of all of our financial instruments. The carrying values of cash equivalents, accounts receivables, other receivables, related party receivables, accounts payable, related party payables and accrued and other current liabilities are reasonable estimates of their fair values as of December 31, 2018 and 2017 due to the short-term nature of these instruments.

Reynolds Consumer Group

Notes to the Combined Financial Statements

Recently Adopted Accounting Guidance:

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which outlines a new, single comprehensive model for companies to use in accounting for revenue. The core principle is that an entity should recognize revenue to depict the transfer of control over promised goods or services to a customer in an amount that reflects the consideration the entity expects to be entitled to receive in exchange for the goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows from customer contracts, including significant judgments made in recognizing revenue. In 2016 and 2017, the FASB issued several ASUs that clarified matters such as principal versus agent (gross versus net) revenue presentation considerations and clarified the guidance for identifying performance obligations within a contract. The FASB also issued two ASUs providing technical corrections, narrow scope exceptions and practical expedients to clarify and improve the implementation of the new revenue recognition guidance. The revenue guidance is effective for annual reporting periods beginning after December 15, 2017. We adopted the new standard on January 1, 2018 on a modified retrospective basis for all contracts not completed as of the date of adoption, resulting in a $5 million adjustment to Net Parent deficit, reflecting the acceleration of recognizing sales incentives associated with future promotional activity at the time of the sale. There was no other material financial impact from adopting the new revenue recognition standard. Also refer to the combined statements of equity (deficit), the Revenue Recognition section above and Note 13—Segment Information for additional information.

In August 2014, the FASB issued ASU 2014-15, *Presentation of Financial Statements—Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*, which requires management to assess an entity's ability to continue as a going concern, and to provide related footnote disclosures in certain circumstances, such as the existence of substantial doubt. At each annual and interim reporting date, we are required to evaluate our ability to continue as a going concern for one year after the issuance date. This guidance was effective on December 31, 2016. The adoption of this ASU did not have a significant impact on our combined financial statements.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*, with the objective of reducing the existing diversity in practice with respect to how certain cash flow items are classified in the statement of cash flows. The ASU is effective for annual reporting periods beginning after December 15, 2017, with early adoption permitted. We adopted the standard on January 1, 2018 and it had no impact on our combined financial statements.

In January 2017, the FASB issued ASU 2017-04, *Simplifying the Test for Goodwill Impairment*, which eliminates the requirement to determine the fair value of individual assets and liabilities of a reporting unit to measure goodwill impairment. Goodwill impairment testing is now performed by comparing the fair value of the reporting unit with its carrying amount and recognizing an impairment charge for the amount by which the carrying amount exceeds fair value. The new standard is effective for goodwill impairment tests in annual reporting periods beginning after December 15, 2019, and should be applied on a prospective basis, with early adoption permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. We early adopted this guidance on January 1, 2017 and it had no material impact on our combined financial statements.

In March 2017, the FASB issued ASU 2017-07, *Compensation—Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*, which amended the income statement presentation of the components of net periodic benefit cost for an entity's sponsored defined benefit pension and other postretirement plans. The amendment requires entities to present the

current service cost component with other current compensation costs in the income statement within income from operations and present the other components outside of income from operations. The amendment is effective for annual reporting periods beginning after December 15, 2017. We adopted this amendment retrospectively on January 1, 2018 and have presented the service cost in cost of sales and selling, general and administrative expenses and the other components of net periodic benefit cost in other expense, net in our combined statements of income.

Accounting Guidance Issued But Not Yet Adopted as of December 31, 2018:

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, to increase transparency and comparability among organizations by requiring the recognition of Right of Use ("ROU") assets and lease liabilities on the balance sheet and the disclosure of key information about leasing arrangements. The ASU revises existing U.S. GAAP and outlines a new model for lessors and lessees to use in accounting for lease contracts. The guidance requires lessees to recognize an ROU asset and a lease liability on the balance sheet for all leases, with the exception of short-term leases. Lessees will classify leases as either operating (resulting in straight-line expense recognition) or finance (resulting in a front-loaded expense pattern). In July 2018, the FASB issued an ASU which allows for an alternative transition approach, which will not require adjustments to comparative prior-period amounts. Topic 842 and all related ASUs are effective for fiscal years beginning after December 15, 2018, with early adoption permitted. We adopted the new standard on January 1, 2019. We elected to apply the package of practical expedients, including not reassessing whether expired or existing contracts contained leases, the classification of those leases and initial direct costs for any existing leases. We elected not to separate non-lease components from lease components and to account for both as a single lease component for all classes of underlying assets. We also elected to exclude short-term leases (term of 12 months or less) from the balance sheet presentation. The most significant impact from adopting the standard is the initial recognition of operating lease ROU assets and lease liabilities on our combined balance sheet. Upon adoption, we expect to record ROU assets and lease liabilities of approximately $35 million to $40 million, representing the present value of future lease payments with terms greater than 12 months. The transition method we elected for adoption of the standard requires us to make a cumulative effect adjustment as of January 1, 2019. This amount is not expected to be material. The impact on our combined statements of income and combined statements of cash flows is not expected to be material.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which modifies the impairment model to use an expected loss methodology in place of the currently used incurred loss methodology, which may result in earlier recognition of losses related to financial instruments. This ASU is effective for annual reporting periods beginning after December 15, 2019, with early adoption permitted, and requires a cumulative effect adjustment to the balance sheet upon adoption. We are currently assessing the impact on our combined financial statements.

In February 2018, the FASB issued ASU 2018-02, *Income Statement—Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*, that permits entities to elect a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the 2017 enactment of U.S. tax reform legislation. The ASU is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. We adopted the standard as of January 1, 2019 and there was no material impact on our combined financial statements.

In August 2018, the FASB issued ASU 2018-14, Compensation—Retirement Benefits—Defined Benefit Plans —General (Subtopic 715-20) Disclosure—Framework—Changes to the Disclosure Requirements for Defined Benefit Plans. The ASU modifies the disclosure requirements for employers that sponsor defined benefit

pension or other postretirement plans. The ASU is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. We are currently evaluating the requirements of this guidance, which is expected to impact our disclosures but is not expected to impact the measurement and recognition of amounts in our combined financial statements.

In August 2018, the FASB issued ASU 2018-15, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract*, which aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs for internal-use software. This ASU is effective for annual reporting periods beginning after December 15, 2019, with early adoption permitted. We are currently assessing the impact on our combined financial statements.

Note 3—Inventories

Inventories consisted of the following:

	As of December 31,	
	2018	2017
	(in millions)	
Raw materials	$ 130	$ 98
Work in progress	49	51
Finished goods	224	199
Spare parts	26	23
Inventories	**$ 429**	**$ 371**

Note 4—Property, Plant and Equipment, Net

Property, plant and equipment, net consisted of the following:

	As of December 31,	
	2018	2017
	(in millions)	
Land and land improvements	$ 33	$ 33
Buildings and building improvements	124	116
Machinery and equipment	841	791
Construction in progress	76	46
Property, plant and equipment, at cost	1,074	986
Less: accumulated depreciation	(610)	(562)
Property, plant and equipment, net	**$ 464**	**$ 424**

Depreciation expense was $55 million, $58 million and $59 million for the years ended December 31, 2018, 2017 and 2016, respectively, of which $49 million, $47 million and $48 million was recognized in cost of sales, respectively, and $6 million, $11 million and $11 million was recognized in selling, general and administrative expenses, respectively.

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Note 5—Goodwill and Intangible Assets

Goodwill by reportable segment was as follows:

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Total
			(in millions)		
Balance as of December 31, 2016	**$ 794**	**$ 505**	**$ 282**	**$ 298**	**$1,879**
Movements	—	—	—	—	—
Balance as of December 31, 2017	**794**	**505**	**282**	**298**	**1,879**
Movements	—	—	—	—	—
Balance as of December 31, 2018	**$ 794**	**$ 505**	**$ 282**	**$ 298**	**$1,879**

Intangible assets, net consisted of the following:

	As of December 31, 2018			As of December 31, 2017		
	Gross carrying amount	Accumulated amortization	Net	Gross carrying amount	Accumulated amortization	Net
			(in millions)			
Finite-lived intangible assets						
Customer relationships	$ 580	$ (283)	$ 297	$ 580	$ (253)	$ 327
Trade names	25	(17)	8	25	(16)	9
Total finite-lived intangible assets	**605**	**(300)**	**305**	**605**	**(269)**	**336**
Indefinite-lived intangible assets						
Trade names	850	—	850	850	—	850
Total intangible assets	**$ 1,455**	**$ (300)**	**$1,155**	**$ 1,455**	**$ (269)**	**$1,186**

Amortization expense for intangible assets was $32 million, $32 million and $38 million for the years ended December 31, 2018, 2017 and 2016, respectively, and has been recognized in selling, general and administrative expenses. For the next five years, we estimate annual amortization expense of approximately $31 million each year.

Note 6—Debt and Borrowing Arrangements

We have incurred borrowings under RGHL Group's Senior Secured Credit Agreement, as amended (the "Credit Agreement").

The information presented below relates to our borrowings under the Credit Agreement, which represent only a portion of the total RGHL Group borrowings incurred under the Credit Agreement. For details regarding our borrowings with RGHL Group, refer to Note 14—Related Party Transactions.

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Long-Term Debt:

Long-term debt consisted of the following:

	As of December 31,	
	2018	2017
	(in millions)	
U.S. Term Loan	$2,037	$ 2,058
Deferred financing transaction costs	(5)	(6)
Original issue discounts	(2)	(3)
	2,030	**2,049**
Less: current portion	(21)	(21)
Long-term debt	**$2,009**	**$ 2,028**

Overview—Credit Agreement

The facilities under the Credit Agreement are comprised of (i) U.S. and European Term Loans, denominated in U.S. dollars and euro, respectively, and (ii) a Revolving Facility, denominated in U.S. dollars. For all periods presented, the Revolving Facility has only been utilized by RGHL Group in the form of letters of credit. As of December 31, 2018, RGHL Group has utilized $58 million, including $6 million for our letters of credit. We are not a borrower under the European Term Loans.

The obligations under the Credit Agreement are guaranteed by, and secured by the assets of, certain members of RGHL Group, including certain entities of our combined group. For further details of the guarantees and security we have provided in relation to RGHL Group's external borrowings, refer to Note 10—Commitments and Contingencies.

We are a borrower under the U.S. Term Loan. Interest under the U.S. Term Loan comprises LIBOR, with a floor of 0%, plus a margin of 2.75%. The margin decreased from 3.00% in 2018 following an upgrade in RGHL Group's credit rating. The weighted average contractual interest rate related to our long-term debt as of December 31, 2018, 2017 and 2016, was 4.77%, 4.05% and 4.35%, respectively. The effective interest rate of our debt obligations is not materially different from the contractual interest rate.

The U.S. Term Loan requires quarterly amortization payments of 0.25% of the outstanding principal as of February 5, 2017, with the balance due at maturity. Based on our portion of the outstanding borrowings, this represents amortization payments of approximately $5 million per quarter. Borrowings under the U.S. Term Loan may be voluntarily repaid in whole or in part and are subject to mandatory prepayments in certain circumstances, including the requirement to make annual prepayments of both the U.S. and European Term Loans with up to 50% of excess cash flow (which will be reduced to 25% or 0% if specified senior secured first lien leverage ratios are met) as determined in accordance with the Credit Agreement. No excess cash flow prepayments were due in 2018 for the year ended December 31, 2017 or are due in 2019 for the year ended December 31, 2018.

Amendments to the Credit Agreement

During the years presented, RGHL Group entered into the following amendments to its Credit Agreement. We were a borrower under each of these amendments.

On August 5, 2016, RGHL Group amended its previous credit agreement to, among other modifications, extend the maturity date of its U.S. Term Loan to February 5, 2023. This amendment also reduced the margin by

25-basis points to 3.25% per annum. The Revolving Facility was concurrently amended on August 5, 2016, resulting in an extension of the maturity date to August 5, 2021 and the combination of previously separate euro and U.S. dollar revolving facilities into a single revolving facility with a limit of $302 million.

On October 7, 2016, RGHL Group incurred an additional $1,350 million under the Credit Agreement. Consequently, our portion of the borrowings changed from $734 million to $2,084 million.

On February 7, 2017, RGHL Group entered into an amendment to the Credit Agreement which reduced the margin by 25 basis points to 3.00% per annum and reduced the LIBOR floor to 0%. Our portion of the total borrowings did not change.

Deferred Financing Transaction Costs and Original Issue Discounts

As of December 31, 2018 and 2017, our portion of RGHL Group's deferred financing transaction costs, net of amortization, related to the U.S. Term Loan and the Revolving Facility were $5 million and $6 million, respectively. In addition, as of December 31, 2018 and 2017, we have recorded original issue discounts, net of accumulated amortization, of $2 million and $3 million, respectively. These deferred amounts are presented as a direct reduction of the carrying amount of our long-term debt as of December 31, 2018 and 2017. Our portions of deferred financing transaction costs and original issue discounts are being amortized over the life of the U.S. Term Loan under the effective interest method.

As a result of the amendments to the Credit Agreement described above, we evaluated each event in accordance with ASC 470-50-40, *Debt-Modifications and Extinguishments-Derecognition*, to determine if the respective event represented a modification or extinguishment of the original loan, on a lender-by-lender basis. For those events that represented modifications, we continue to capitalize the existing unamortized deferred financing transaction costs, capitalized the incremental fees paid to those lenders and expensed incremental fees paid to non-lenders. Capitalized costs are amortized over the remaining contractual term of the debt. For those events that represented extinguishments, unamortized deferred financing transaction costs and original issue discounts were written off and recorded as loss on extinguishment of debt in interest expense, net in our combined statements of income. We recorded loss on extinguishment of debt of less than $1 million in each of the years ended December 31, 2017 and 2016. These amounts are included in interest expense, net. In addition, we recorded non-lender fees of $3 million and $20 million in the years ended December 31, 2017 and 2016, respectively, in interest expense, net.

Covenants

The Credit Agreement contains customary covenants which restrict RGHL and certain of its subsidiaries from certain activities including, among other things, incurring debt, creating liens over assets, selling or acquiring assets and making restricted payments, in each case except as permitted under the Credit Agreement. As of December 31, 2018, RGHL Group was in compliance with all of its covenants.

The Credit Agreement also contains a total secured leverage ratio covenant not to exceed 5.00 to 1.00 on a pro forma basis. This covenant only applies if the aggregate revolving credit exposure (excluding any exposure in respect of undrawn letters of credit) as of the last day of a fiscal quarter exceeds 35% of the total Revolving Facility commitments on such day.

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Scheduled Maturities

Below is a schedule of required future repayments on our debt outstanding under the Credit Agreement as of December 31, 2018:

	(in millions)
2019	$ 21
2020	21
2021	21
2022	21
2023	1,953
Total long-term debt	**$ 2,037**

Fair Value of Our Long-Term Debt:

The fair value of our long-term debt as of December 31, 2018 and 2017, which is a Level 2 fair value measurement, approximates the carrying value due to the variable market interest rate and the stability of RGHL Group's credit profile.

Interest expense, net:

Interest expense, net consisted of the following:

	For the Years Ended December 31,		
	2018	2017	2016
	(in millions)		
Interest expense, external debt	$ 97	$ 85	$ 51
Interest expense, related party borrowings(1)	233	258	332
Interest income, related party receivables(1)	(52)	(26)	(14)
Amortization of deferred financing transaction costs	1	1	2
Other(2)	1	4	20
Interest expense, net	**$ 280**	**$ 322**	**$ 391**

(1) Refer to Note 14—Related Party Transactions for additional information.
(2) Other consists primarily of non-lender fees of $3 million and $20 million in the years ended December 31, 2017 and 2016, respectively.

Note 7—Financial Instruments

Fair Value of Derivative Instruments:

Derivative instruments, consisting of commodity contracts, were recorded at fair value in our combined balance sheets and consisted of a $9 million liability, recorded in accrued and other current liabilities, as of December 31, 2018 and a $5 million asset, recorded in other current assets, as of December 31, 2017.

Our commodity contracts are primarily commodity swaps and are all Level 2 financial assets and liabilities. Commodity derivatives are valued using an income approach based on the observable market commodity index prices less the contract rate multiplied by the notional amount or based on pricing models that rely on market observable inputs such as commodity prices. Our calculation of the fair value of these financial instruments takes

into consideration the risk of non-performance, including counterparty credit risk. The majority of our derivative contracts do not have a legal right of set-off. We manage the credit risk in connection with our derivatives by limiting the amount of exposure with each counterparty and monitoring the financial condition of our counterparties.

During the years ended December 31, 2018, 2017 and 2016, we recognized an unrealized loss of $14 million, an unrealized gain of $4 million and an unrealized gain of $8 million, respectively, in cost of sales in the combined statements of income.

The following table provides the detail of outstanding commodity derivative contracts as of December 31, 2018:

Type	Unit of measure	Contracted volume	Contracted price range	Contracted date of maturity
Aluminum swaps	Metric tonne	34,711	$1,925.00 - $2,499.50	Jan 2019 - Dec 2019
Aluminum Midwest Premium swaps	Metric tonne	4,130	$403.45 - $407.85	Jan 2019 - Dec 2019
Benzene swaps	U.S. liquid gallon	1,882,258	$2.28 - $3.02	Feb 2019 - Jun 2019
Diesel swaps	U.S. liquid gallon	3,499,492	$2.88 - $3.40	Jan 2019 - Dec 2019

Note 8—Benefit Plans

Related Party Multiemployer Defined Benefit Plan:

Prior to December 1, 2016, certain of our employees participated in a defined benefit plan that we sponsored. On November 30, 2016, this plan was merged into another defined benefit plan within RGHL Group and the future obligations under this plan became the responsibility of RGHL Group. As a result of this plan merger, we recorded a settlement loss of $9 million in non-operating expense, net in our combined statements of income, which represented the release of the accumulated other comprehensive income balance attributable to the plan obligations as of the date of the plan merger. We recorded expense of $3 million in cost of sales in relation to this plan during the year ended December 31, 2016.

Commencing December 1, 2016, certain employees participate in a defined benefit plan sponsored by RGHL Group, along with participants of RGHL Group's other businesses. This plan is accounted for as a multiemployer plan in these combined financial statements and as a result, no asset or liability was recorded by us to recognize the funded status of the plan. We recorded expense of $3 million in cost of sales for each of the years ended December 31, 2018 and 2017 relating to our employees' participation in the RGHL Group sponsored plan.

Defined Contribution Plans:

We offer defined contribution plans to eligible employees in the United States as well as employees in certain other countries. Our expense relating to defined contribution plans was $18 million, $17 million and $15 million for the years ended December 31, 2018, 2017 and 2016, respectively.

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Postretirement Benefit Plan:

Certain of our employees in the United States participate in a postretirement benefit plan. Our postretirement benefit plan is not funded. The changes in and the amount of the accumulated postretirement benefit obligation were as follows:

	As of December 31,	
	2018	2017
	(in millions)	
Accumulated postretirement benefit obligation as of January 1	$ 52	$ 52
Service cost	1	1
Interest cost	2	2
Benefits paid	(3)	(3)
Actuarial losses (gains)	(5)	—
Accrued postretirement benefit obligation as of December 31	**$ 47**	**$ 52**

The accrued benefit obligation was included in our combined balance sheets as follows:

	As of December 31,	
	2018	2017
	(in millions)	
Accrued and other current liabilities	$ 3	$ 3
Long-term postretirement benefit obligation	44	49
	$ 47	**$ 52**

A portion of our accrued benefit obligation has been recorded in accumulated other comprehensive income as follows:

	As of December 31, 2016	Changes	As of December 31, 2017	Changes	As of December 31, 2018
			(in millions)		
Net actuarial gain (loss)	$ 20	$ (1)	$ 19	$ 3	$ 22
Deferred income tax benefit	(8)	—	(8)	—	(8)
Accumulated other comprehensive income	**$ 12**	**$ (1)**	**$ 11**	**$ 3**	**$ 14**

We used the following weighted-average assumptions to determine our postretirement benefit obligations:

	As of December 31,	
	2018	2017
Discount rate	4.37%	3.68%
Health care cost trend rate assumed for next year	7.70%	8.20%
Ultimate trend rate	4.50%	4.50%
Year that the rate reaches the ultimate trend rate	2029	2026

The year-end discount rate for our plan reflects a weighted-average rate from a high-quality corporate bond yield curve that matches the expected duration of the benefit payments. Changes in our discount rates were primarily the result of changes in bond yields year-over-year. Our expected health care cost trend rate is based on historical costs and long term expectations.

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Assumed health care cost trend rates can impact the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have less than a $1 million effect on the measurement of our postretirement benefit obligation and less than a $1 million effect on the annual service and interest cost.

Components of Net Periodic Postretirement Costs

Net periodic postretirement benefit costs consisted of the following:

	For the Years Ended December 31,		
	2018	2017	2016
	(in millions)		
Service cost	$ 1	$ 1	$ 1
Interest cost	2	2	2
Amortization of actuarial gain	(2)	(2)	(1)
Net periodic postretirement costs	**$ 1**	**$ 1**	**$ 2**

The service cost component of net periodic postretirement costs is recognized in cost of sales, while interest cost and amortization of actuarial gain are recognized in non-operating expense, net in the combined statements of income.

As of December 31, 2018, we expect to amortize an actuarial gain of approximately $2 million from accumulated other comprehensive income into pre-tax net periodic postretirement costs during 2019.

We used the following weighted-average assumptions to determine our net periodic postretirement health care cost:

	For the Years Ended December 31,		
	2018	2017	2016
Discount rate	3.68%	4.24%	4.48%
Health care cost trend rate assumed for next year	8.20%	7.20%	7.60%
Ultimate trend rate	4.50%	4.50%	4.50%
Year that the rate reaches the ultimate trend rate	2026	2024	2024

Future Benefit Payments

Expected contributions for the next fiscal year equal the estimated benefit payments of $3 million.

Our estimated future benefit payments for our postretirement benefit plan as of December 31, 2018 were as follows:

	(in millions)
2019	$ 3
2020	3
2021	3
2022	3
2023	3
2024 - 2028	16

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Note 9—Other Expense, Net

Other expense, net consisted of the following:

	For the Years Ended December 31,		
	2018	2017	2016
	(in millions)		
Factoring discount(1)	$ 22	$ 19	$ 15
Allocated related party Management Fee(2)	10	10	13
Other	(1)	(1)	—
Other expense, net	**$ 31**	**$ 28**	**$ 28**

(1) As discussed in Note 2—Summary of Significant Accounting Policies, we participate in an accounts receivable factoring arrangement with RGHL Group whereby we transfer substantially all of our U.S. accounts receivable in their entirety to RGHL Group and satisfy all of the conditions to report the transfer of financial assets in their entirety as a sale. The fair value of assets received as proceeds in exchange for the transfer of accounts receivable under this factoring arrangement approximates the fair value of such receivables. We recognized losses of $22 million, $19 million and $15 million for the years ended December 31, 2018, 2017 and 2016, respectively, which represents the discount from book values at which these accounts receivable were sold to RGHL Group.

(2) RGHL Group's financing agreements permit the payment to related parties of management, consulting, monitoring and advising fees (the "Management Fee") of up to 1.5% of RGHL Group's Adjusted EBITDA (as defined in RGHL Group's financing agreements) for the previous year. We have been allocated a portion of this Management Fee based on our portion of RGHL Group's Adjusted EBITDA.

Note 10—Commitments and Contingencies

Legal Proceedings:

We are from time to time party to litigation, legal proceedings and tax examinations arising from our operations. Most of these matters involve allegations of damages against us relating to employment matters, personal injury and commercial or contractual disputes. We record estimates for claims and proceedings that constitute a present obligation when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of such obligation can be made. While it is not possible to predict the outcome of any of these matters, based on our assessment of the facts and circumstances, we do not believe any of these matters, individually or in the aggregate, will have a material adverse effect on our financial position, results of operations or cash flows. However, actual outcomes may differ from those expected and could have a material effect on our financial position, results of operations or cash flows in a future period.

As of December 31, 2018, there were no legal proceedings pending other than those for which we have determined that the possibility of a material outflow is remote.

Security and Guarantee Arrangements:

As of December 31, 2018, certain of our entities and other related entities within RGHL Group have guaranteed the following borrowings of RGHL Group:

- $3,248 million and €244 million of secured floating rate term loans that mature in 2023 and other obligations under the Credit Agreement, of which $2,037 million is included on our combined balance sheet in long-term debt;

- secured revolving credit facilities of $302 million that mature in 2021 ($58 million utilized as of December 31, 2018) under the Credit Agreement;
- $3,137 million of 5.750% senior secured notes that mature in 2020;
- $345 million of 6.875% senior secured notes that mature in 2021;
- $750 million of floating rate senior secured notes that mature in 2021;
- $1,600 million of 5.125% senior secured notes that mature in 2023;
- $800 million of 7.000% senior notes that mature in 2024; and
- secured local working capital facilities.

Certain of our entities and other related entities within RGHL Group have granted security over their assets to support the secured obligations described above. The equity interests in certain of our entities have been pledged as collateral to support the secured obligations described above. We would only be liable under these guarantees in the event of default by RGHL Group on its obligations, the probability of which we believe is remote. As a result of these arrangements, substantially all of our assets are pledged as security for the secured obligations described above.

Under the Credit Agreement, all of the U.S. Term Loan borrowers are jointly and severally liable for the outstanding principal. The total principal balance outstanding for the U.S. Term Loan was $3,248 million and $3,282 million as of December 31, 2018 and 2017, respectively. These amounts include the $2,037 million and $2,058 million presented on our combined balance sheets as of December 31, 2018 and 2017, respectively. We have not recognized a liability for the additional outstanding principal as we would only be liable under the agreement in the event of default by RGHL Group on its obligations, which we believe is remote.

Leases:

We lease various facilities and items of plant and equipment.

Rental expenses were $17 million, $14 million and $13 million during the years ended December 31, 2018, 2017 and 2016, respectively. As of December 31, 2018, minimum rental commitments under non-cancelable operating leases in effect at year-end were as follows:

	(in millions)
2019	$ 11
2020	9
2021	8
2022	7
2023	4
Thereafter	15
Total	**$ 54**

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Note 11—Accumulated Other Comprehensive Income

The following table summarizes the changes in our balances of each component of accumulated other comprehensive income. Amounts reclassified from accumulated other comprehensive income to net income (net of tax) were a net gain of $1 million, a net gain of $2 million and a net loss of $5 million for the years ended December 31, 2018, 2017 and 2016, respectively.

	For the Years Ended December 31,		
	2018	2017	2016
	(in millions)		
Currency translation adjustments:			
Balance as of beginning of period	$ (5)	$ (7)	$ (7)
Currency translation adjustments	(2)	2	—
Other comprehensive income (loss)	(2)	2	—
Balance as of end of period	**$ (7)**	**$ (5)**	**$ (7)**
Postretirement benefit plan(2):			
Balance as of beginning of period	$ 11	$ 12	$ 8
Net actuarial gain (loss) arising during period	5	1	(1)
Tax (expense) benefit on net actuarial gain (loss)	(1)	—	—
(Gains) and losses reclassified into net income:			
Amortization of actuarial gain	(2)	(2)	(1)
Defined benefit plan settlement loss	—	—	9
Tax (expense) benefit on reclassifications(1)	1	—	(3)
Other comprehensive income (loss)	3	(1)	4
Balance as of end of period	**$ 14**	**$ 11**	**$ 12**
Accumulated other comprehensive income			
Balance as of beginning of period	$ 6	$ 5	$ 1
Other comprehensive income	1	1	4
Balance as of end of period	**$ 7**	**$ 6**	**$ 5**

(1) Taxes reclassified to income are recorded in income tax (expense) benefit.

(2) 2016 amounts presented above include the defined benefit plan prior to the merger discussed in Note 8 —Benefit Plans.

Note 12—Income Taxes

During the years presented, our U.S. operations were included in the consolidated U.S. federal, certain state and local tax returns filed by RGHL Group. We also file certain separate U.S. state and local and foreign income tax returns. The income tax (expense) benefit included in our combined statements of income has been calculated using the separate return basis. In the future, as a stand-alone entity, we will file tax returns on our own behalf, and our deferred taxes and effective tax rate may differ from those in the historical periods.

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The components of income before income tax were as follows:

	For the Years Ended December 31,		
	2018	2017	2016
	(in millions)		
Income before income taxes:			
United States	$ 236	$ 210	$ 128
International	(3)	8	5
Total income before income taxes	**$ 233**	**$ 218**	**$ 133**

Significant components of income tax expense were as follows:

	For the Years Ended December 31,		
	2018	2017	2016
	(in millions)		
Current			
United States			
Federal	$ 67	$ 64	$ 52
State	12	8	4
Foreign	—	2	1
Total current income tax expense (benefit)	**79**	**74**	**57**
Deferred			
United States			
Federal	(15)	(164)	(6)
State	(7)	7	3
Foreign	—	(1)	—
Total deferred income tax expense (benefit)	**(22)**	**(158)**	**(3)**
Total income tax expense (benefit)	**$ 57**	**$ (84)**	**$ 54**

A reconciliation of income taxes computed at the 35% U.S. Federal statutory income tax rate for 2016 and 2017 and 21% for 2018 to our income tax expense (benefit) was as follows:

	For the Years Ended December 31,		
	2018	2017	2016
	(in millions)		
U.S. Federal income tax expense at the statutory rate	$ 50	$ 76	$ 46
U.S. state income tax expense	3	9	4
Tax differential on foreign earnings	—	(1)	1
Non-deductible compensation	2	3	3
Non-deductible stewardship costs	2	3	4
U.S. tax reform	—	(172)	—
Manufacturing tax benefits	—	(5)	(3)
Other	—	3	(1)
Total income tax expense (benefit)	**$ 57**	**$ (84)**	**$ 54**

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While our foreign activities are conducted through corporations, in these combined financial statements, these foreign corporations are not foreign controlled subsidiaries. Accordingly, there are no undistributed earnings of foreign subsidiaries.

Tax Reform:

On December 22, 2017, the President of the United States signed into law the Tax Cuts and Jobs Act (the "Act"). In general, the Act (i) reduces the U.S. federal tax rate from a maximum of 35% to a flat rate of 21%, effective January 1, 2018; (ii) introduces amendments restricting the ability to deduct interest expense; (iii) imposes a deemed mandatory repatriation tax on certain deferred foreign earnings while introducing a participation exemption tax system; and (iv) on a prospective basis, starting with the year ending December 31, 2018, changes the computation of U.S. federal income tax, including the introduction of new components of income tax which may apply to us.

The reduction in the U.S. federal tax rate from 35% to 21% resulted in a tax benefit of $172 million related to the remeasurement of net deferred tax liabilities that is recognized in the combined statements of income for the year ended December 31, 2017. As a result of our legal entity structure the mandatory repatriation tax on certain deferred foreign earnings was not applicable.

Deferred Tax Assets and Liabilities:

Deferred income taxes result from temporary differences between the amount of assets and liabilities recognized for financial reporting and tax purposes. The components of our net deferred income tax liability were as follows:

	As of December 31,	
	2018	2017
	(in millions)	
Deferred tax assets		
Employee benefits	$ 16	$ 16
Inventory	5	5
Derivatives	2	—
Reserves	1	3
Tax losses	5	6
Tax credits	3	2
Interest(1)	23	—
Total deferred tax assets	55	32
Valuation allowance	(3)	(4)
Total deferred tax assets after valuation allowance	52	28
Deferred tax liabilities		
Intangible assets	(288)	(291)
Property, plant, and equipment	(60)	(56)
Derivatives	—	(1)
Total deferred tax liabilities	(348)	(348)
Net deferred tax liabilities	**$ (296)**	**$ (320)**

(1) As a result of the Act, $95 million of interest expense was not deductible for the year ended December 31, 2018 and has been deferred.

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State and foreign net operating loss and tax credit carryforwards, presented on a gross basis, were as follows:

	As of December 31,	
	2018	2017
	(in millions)	
State and foreign net operating loss carryforwards		
Expires within 5 years	$ 1	$ 1
Expires after 5 years or indefinite expiration	79	100
Total net operating loss carryforwards	**$ 80**	**$ 101**
Tax credit carryforwards		
Expires within 5 years	$ 3	$ 3
Total tax credit carryforwards	**$ 3**	**$ 3**

Deferred tax assets related to state and foreign net operating loss carryovers and state tax credit carryovers are available to offset future state taxable earnings. We have provided a valuation allowance to reduce the carrying value of certain of these deferred tax assets, as we have concluded that, based on the available evidence, it is more likely than not that the deferred tax assets will not be fully realized. Valuation allowances were $3 million and $4 million as of December 31, 2018 and 2017, respectively. There were no material changes in valuation allowances in any of the years presented.

Uncertain Tax Positions:

ASC 740 prescribes a recognition threshold of more-likely-than not to be sustained upon examination as it relates to the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. Our policy is to include interest and penalties related to gross unrecognized tax benefits in income tax expense.

The following table summarizes the activity related to our gross unrecognized tax benefits:

	For the Years Ended December 31,		
	2018	2017	2016
	(in millions)		
Balance at beginning of the year	$ 1	$ —	$ —
Increase associated with tax positions taken during the current year	—	1	—
Ending unrecognized tax benefits	**$ 1**	**$ 1**	**$ —**

Accrued interest and penalties related to unrecognized tax benefits have been recorded in income tax expense. No expense for accrued interest and penalties was recognized during the years ended December 31, 2018, 2017 and 2016.

Each year we file income tax returns in the various national, state and local income taxing jurisdictions in which we operate. Foreign jurisdictions comprise Canada and China. Our income tax returns are subject to examination and possible challenge by the tax authorities. Although ultimate timing is uncertain, the net amount of tax liability for unrecognized tax benefits may change within the next twelve months due to changes in audit status, settlements of tax assessments and other events.

Tax years 2016 and forward remain subject to examination by the IRS. We are not currently under IRS audit.

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State income tax returns are generally subject to examination for a period of 3 to 5 years after filing of the respective return. We are currently subject to a separate company New Jersey state income tax audit for the years 2013 through 2015.

The open tax years for our Canadian income taxes are 2014 and forward. The open tax years for our Chinese income taxes are 2015 and forward. We have no current or recent tax audits in either Canada or China.

Taxes Paid:

Taxes paid were $8 million, $7 million and $3 million for the years ended December 31, 2018, 2017 and 2016, respectively.

Our U.S. entities are members of a consolidated U.S. tax entity. The current U.S. federal tax liability of our U.S. entities is aggregated with the other members of the consolidated U.S. tax entity and settled on a net basis by a related party. There is no formal tax sharing arrangement. The settlement of our U.S. federal current tax is recognized directly as a movement in Net Parent deficit in equity (deficit).

Note 13—Segment Information

Our Chief Executive Officer, who has been identified as our Chief Operating Decision Maker ("CODM"), has evaluated how he views and measures our performance. ASC 280 *Segment Reporting* establishes the standards for reporting information about segments in financial statements. In applying the criteria set forth in ASC 280, and in conjunction with a management realignment in June 2019, we have determined that we have four reportable segments—Reynolds Cooking & Baking, Hefty Waste & Storage, Hefty Tableware and Presto Products. The key factors used to identify these reportable segments are the organization and alignment of our internal operations and the nature of our products. This reflects how our CODM monitors performance, allocates capital and makes strategic and operational decisions. Our segments are described as follows:

Reynolds Cooking & Baking

Our Reynolds Cooking & Baking segment produces branded and store brand foil, parchment paper, disposable aluminum pans and slow cooker liners. Our branded products are sold under the Reynolds®, Reynolds KITCHENS and E-Z Foil® brands in the United States, under the ALCAN® brand in Canada and under the Diamond® brand outside of North America.

Hefty Waste & Storage

Our Hefty Waste & Storage segment produces both branded and store brand trash and food storage bags. Our products are sold under brand names such as Hefty® Ultra Strong™, Hefty® Strong Trash Bags and Hefty® Slider Bags.

Hefty Tableware

Our Hefty Tableware segment sells both branded and store brand disposable plates, bowls, platters, cups and cutlery. Our branded products, which include dishes and party cups, are sold under the Hefty® brand.

Presto Products

Our Presto Products segment primarily sells store brand products in four main categories: food storage bags, trash bags, disposable storage containers and food wrap. Our Presto Products segment also includes our specialty business which sells re-sealable closure systems.

Reynolds Consumer Group

Notes to the Combined Financial Statements

Information by Segment:

We present segment adjusted EBITDA ("Adjusted EBITDA") as this is the financial measure by which management and our CODM allocate resources and analyze the performance of our reportable segments.

Adjusted EBITDA represents each segment's earnings before interest, tax, depreciation and amortization and is further adjusted to exclude unrealized gains and losses on derivatives, costs associated with rationalizing operations and administrative functions, factoring discounts, defined benefit plan settlement losses, amortization of actuarial gains, operational process engineering related consultancy costs and the allocated related party Management Fee.

Total assets by segment are those assets directly associated with the respective operating activities, comprising inventory and property, plant and equipment. Other assets, such as cash, accounts receivable and other intangible assets, are monitored on an entity-wide basis and not included in segment information that is regularly reviewed by our CODM.

The accounting policies applied by our segments are the same as those described in Note 2—Summary of Significant Accounting Policies. Transactions between segments are at negotiated prices.

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment total	Unallocated(1)	Total
2018							
Net revenues	$ 1,159	$ 687	$ 757	$ 539	**$ 3,142**	$ —	**$3,142**
Intersegment revenues	—	9	—	—	**9**	(9)	**—**
Total segment net revenues	1,159	696	757	539	**3,151**	(9)	**3,142**
Adjusted EBITDA	234	172	168	85	**659**		
Depreciation and amortization	16	13	8	20	**57**	30	**87**
Capital expenditures(2)	35	21	1	18	**75**	7	**82**
Total assets	393	190	135	163	**881**	5,540	**6,421**

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment total	Unallocated(1)	Total
2017							
Net revenues	$ 1,068	$ 628	$ 731	$ 530	**$ 2,957**	$ —	**$2,957**
Intersegment revenues	—	10	—	1	**11**	(11)	**—**
Total segment net revenues	1,068	638	731	531	**2,968**	(11)	**2,957**
Adjusted EBITDA	251	149	183	83	**666**		
Depreciation and amortization	14	14	8	19	**55**	35	**90**
Capital expenditures(2)	20	18	—	17	**55**	1	**56**
Total assets	329	187	116	154	**786**	5,125	**5,911**

Reynolds Consumer Group

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	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment total	Unallocated(1)	Total
2016							
Net revenues	$ 1,057	$ 658	$ 710	$ 510	**$ 2,935**	$ —	**$2,935**
Intersegment revenues	—	13	—	—	**13**	(13)	**—**
Total segment net revenues	1,057	671	710	510	**2,948**	(13)	**2,935**
Adjusted EBITDA	244	151	185	78	**658**		
Depreciation and amortization	14	21	8	18	**61**	36	**97**
Capital expenditures(2)	16	15	—	11	**42**	1	**43**

(1) Unallocated includes eliminations of intersegment revenues, unallocated depreciation and amortization and unallocated assets, which are comprised of cash, accounts receivable, other receivables, entity-wide property, plant and equipment, goodwill, intangible assets, related party receivables and other assets.

(2) For each of the years presented, the property, plant and equipment included in our Hefty Tableware segment was contributed to us from RGHL Group. No capital expenditures were incurred by us in relation to these items. Refer to Note 14—Related Party Transactions for additional information.

The following table presents a reconciliation of segment Adjusted EBITDA to combined U.S. GAAP income before income taxes:

	For the Years Ended December 31,		
	2018	2017	2016
	(in millions)		
Segment Adjusted EBITDA	$ 659	$ 666	$ 658
Corporate / unallocated expenses	(12)	(10)	(11)
	647	656	647
Adjustments to reconcile to U.S. GAAP income before income taxes			
Depreciation and amortization	(87)	(90)	(97)
Interest expense, net	(280)	(322)	(391)
Factoring discount	(22)	(19)	(15)
Allocated related party Management Fee	(10)	(10)	(13)
Unrealized gains (losses) on derivatives	(14)	4	8
Business rationalization costs	(4)	(2)	(1)
Defined benefit plan settlement loss	—	—	(9)
Other	3	1	4
Combined U.S. GAAP income before income taxes	**$ 233**	**$ 218**	**$ 133**

Reynolds Consumer Group

Notes to the Combined Financial Statements

Information in Relation to Products:

Net revenues by product line are as follows:

	For the Years Ended December 31,		
	2018	2017	2016
	(in millions)		
Waste and storage products(1)	$ 1,226	$ 1,158	$ 1,168
Cooking products	1,159	1,068	1,057
Tableware	757	731	710
Net revenues	**$ 3,142**	**$ 2,957**	**$ 2,935**

(1) Waste and storage products are comprised of our Hefty Waste & Storage and Presto Products segments.

Our different product lines are generally sold to a common group of customers. For all product lines, there is a relatively short time period between the receipt of the order and the transfer of control over the goods to the customer.

Geographic Data:

Geographic data for net revenues (recognized based on location of our business operations) and long-lived assets (representing property, plant and equipment) are as follows:

	For the Years Ended December 31,		
	2018	2017	2016
	(in millions)		
Net revenues:			
United States	$ 3,079	$ 2,862	$ 2,842
Other	63	95	93
Net revenues	**$ 3,142**	**$ 2,957**	**$ 2,935**

	As of December 31,	
	2018	2017
	(in millions)	
Long-lived assets		
United States	$ 462	$ 420
Other	2	4
Long-lived assets	**$ 464**	**$ 424**

Entity-wide Disclosures:

Net revenues from our largest customer and its affiliates were 40%, 39% and 38% of total net revenues for the years ended December 31, 2018, 2017 and 2016, respectively. The net revenues from our largest customer were recognized across all of our segments. No other customers accounted for 10% or more of our total net revenues in any of the periods presented. As a result of our participation in RGHL Group’s factoring arrangement, there were no outstanding receivables with this customer as of December 31, 2018 and 2017.

Reynolds Consumer Group

Notes to the Combined Financial Statements

Note 14—Related Party Transactions

Our parent is RGHL, the ultimate parent is Packaging Holdings Limited, and the ultimate shareholder is Mr. Graeme Hart.

In addition to the allocation of expenses for certain services related to group wide functions provided by RGHL Group discussed in Note 1—Description of Business and Basis of Presentation, other transactions between us and RGHL Group are described below. As indicated, certain transactions are reflected in equity (deficit) in our combined balance sheets as Net Parent deficit and in our combined statements of cash flows as a financing activity in net transfers from Parent.

For the years ended December 31, 2018, 2017 and 2016, revenues from product sold to RGHL Group were $161 million, $148 million and $143 million, respectively, and the related costs of sales were $155 million, $144 million and $137 million, respectively. For each of the years ended December 31, 2018, 2017 and 2016, we charged RGHL Group $2 million of our warehousing costs, which were included in cost of sales. Current related party receivables were $30 million and $64 million as of December 31, 2018 and 2017, respectively. For the years ended December 31, 2018, 2017 and 2016, products purchased from RGHL Group were $511 million, $492 million and $494 million, respectively. For the years ended December 31, 2018, 2017 and 2016, RGHL Group charged us $143 million, $120 million and $117 million, respectively, of their freight and warehousing costs, which were included in cost of sales. Current related party payables were $268 million and $245 million as of December 31, 2018 and 2017, respectively. These related party receivables and payables are settled regularly with RGHL Group in the normal course of business.

During the years ended December 31, 2018, 2017 and 2016, property, plant and equipment related to our Hefty Tableware segment of $17 million, $5 million and $4 million, respectively, was contributed to us by RGHL Group.

We have written interest-bearing loan agreements in place with RGHL Group which are presented as related party long-term receivables and related party borrowings on our combined balance sheets. These balances are expected to be settled in cash. Related party long-term receivables were $2,401 million and $1,929 million as of December 31, 2018 and 2017, respectively. During the year ended December 31, 2017, $162 million of related party long-term receivables from RGHL Group were offset against current income taxes payable. Related party borrowings were $3,950 million and $3,927 million as of December 31, 2018 and 2017, respectively. Related party accrued interest payable was $576 million and $367 million as of December 31, 2018 and 2017, respectively. We remit accrued interest payable to RGHL Group as and when requested in conjunction with its cash management activities. Interest expense and income related to these loan agreements are discussed in Note 6—Debt and Borrowing Arrangements, and are accrued based on the written loan agreements. During the years ended December 31, 2018, 2017 and 2016 we borrowed $338 million, $416 million and $634 million ($17 million non-cash), respectively, from RGHL Group and repaid borrowings of $314 million, $456 million ($3 million non-cash) and $261 million ($6 million non-cash), respectively. During the years ended December 31, 2018, 2017 and 2016 we advanced loans of $537 million, $508 million and $650 million, respectively, to RGHL Group and received repayments of $65 million, $200 million and $109 million, respectively. During the year ended December 31, 2016, we incurred $1,350 million of additional borrowings under the Credit Agreement. The cash associated with these additional borrowings, net of $16 million in non-lender fees, was received directly by RGHL Group which resulted in an offsetting reduction in related party borrowings owing to RGHL Group.

The weighted average contractual interest rate related to our related party borrowings as of December 31, 2018, 2017 and 2016, was 6.00%, 6.28% and 6.79%, respectively. Below is a schedule of maturity of our related

party borrowings as of December 31, 2018. Subsequent to the settlement of certain balances due to and from RGHL Group in June 2019, as discussed in Note 15—Subsequent Events, the remaining related party borrowings balances all have maturity dates in 2022. The fair value of our related party borrowings as of December 31, 2018 and 2017, which is a Level 2 fair value measurement, approximates the carrying value.

	(in millions)
2019	$ 250
2020	—
2021	—
2022	430
2023	2,929
Thereafter	341
Related party borrowings	**$ 3,950**

The weighted average contractual interest rate related to our non-current related party receivables as of December 31, 2018, 2017 and 2016, was 2.92%, 1.67% and 0.95%, respectively. As of December 31, 2018, these receivables were to mature in 2022, however as discussed in Note 15—Subsequent Events, in June 2019 they were used to reduce the balances outstanding under various related party borrowings.

As discussed in Note 2—Summary of Significant Accounting Policies, we also participate in RGHL Group's accounts receivable factoring arrangement whereby certain of our accounts receivable are sold at a discount to RGHL Group. Costs for participating in the factoring arrangement are disclosed in Note 9—Other Expense, Net.

We have obtained a letter of support from RGHL confirming its commitment to provide us with financial support to the extent that other sources of funding are not otherwise available to us, expiring the earliest of (i) December 28, 2020; (ii) a sale of the business; or (iii) an initial public offering.

In addition, our U.S. entities are members of a consolidated U.S. tax entity. The current U.S. federal tax liability of our U.S. entities is aggregated with the other members of the consolidated U.S. tax entity and settled on a net basis by a related party. There is no formal tax sharing arrangement. The settlement of our current U.S. federal tax is recognized directly as a movement in Net Parent deficit.

Note 15—Subsequent Events

In June 2019, the non-current related party receivables and a portion of current related party receivables were used to reduce the balances outstanding of various related party borrowings, related party accrued interest payable and related party payables. As a result of this process, we net settled related party borrowings of $1,714 million, related party accrued interest payable of $655 million and related party payables of $94 million. Following these settlements, we now have related party borrowings and related party accrued interest payable due to RGHL Group, which as of June 30, 2019 were $2,228 million and $30 million, respectively. The related party borrowings bear interest at rates of 1% to 3% per annum and mature in 2022 and thereafter.

Except as described above, there have been no events subsequent to December 31, 2018 which would require accrual or disclosure in these combined financial statements. Subsequent events have been evaluated through August 28, 2019, the date these combined financial statements were available to be issued.

Reynolds Consumer Group

Condensed Combined Statements of Income
(in millions)
(unaudited)

	For the Nine Months Ended September 30,	
	2019	2018
Net revenues	$ 2,083	$ 2,113
Related party net revenues	114	122
Total net revenues	**2,197**	**2,235**
Cost of sales	(1,580)	(1,669)
Gross profit	**617**	**566**
Selling, general and administrative expenses	(231)	(218)
Other expense, net	(34)	(20)
Income from operations	**352**	**328**
Non-operating income, net	1	—
Interest expense, net	(174)	(212)
Income before income taxes	**179**	**116**
Income tax expense	(44)	(24)
Net income	**$ 135**	**$ 92**

See accompanying notes to the condensed combined financial statements.

Reynolds Consumer Group

Condensed Combined Statements of Comprehensive Income
(in millions)
(unaudited)

	For the Nine Months Ended September 30,	
	2019	2018
Net income	$ 135	$ 92
Other comprehensive loss, net of income taxes:		
Currency translation adjustment	—	(1)
Postretirement benefit plans	(1)	(1)
Other comprehensive loss, net of income taxes	(1)	(2)
Comprehensive income	**$ 134**	**$ 90**

See accompanying notes to the condensed combined financial statements.

Reynolds Consumer Group

Condensed Combined Balance Sheets
(in millions)
(unaudited)

	As of September 30, 2019	As of December 31, 2018
Assets		
Cash and cash equivalents	$ 15	$ 23
Accounts receivable, net	15	16
Other receivables	4	12
Related party receivables	44	30
Inventories	478	429
Other current assets	8	6
Total current assets	**564**	**516**
Property, plant and equipment, net	513	464
Operating lease right-of-use assets, net	35	—
Goodwill	1,879	1,879
Intangible assets, net	1,131	1,155
Deferred income taxes	1	—
Related party receivables	—	2,401
Other assets	7	6
Total assets	**$ 4,130**	**$ 6,421**
Liabilities		
Accounts payable	$ 119	$ 136
Related party payables	93	268
Related party accrued interest payable	42	576
Current portion of long-term debt	21	21
Current portion of related party borrowings	1	250
Income taxes payable	13	11
Accrued and other current liabilities	120	123
Total current liabilities	**409**	**1,385**
Long-term debt	1,995	2,009
Long-term related party borrowings	2,147	3,700
Long-term operating lease liabilities	30	—
Deferred income taxes	288	296
Long-term postretirement benefit obligation	44	44
Other liabilities	15	14
Total liabilities	**$ 4,928**	**$ 7,448**
Commitments and contingencies (Note 12)		
Equity (deficit)		
Net Parent deficit	(807)	(1,034)
Accumulated other comprehensive income	9	7
Total equity (deficit)	**(798)**	**(1,027)**
Total liabilities and equity (deficit)	**$ 4,130**	**$ 6,421**

See accompanying notes to the condensed combined financial statements.

Reynolds Consumer Group

Condensed Combined Statements of Equity (Deficit)
(in millions)
(unaudited)

	Net Parent (Deficit)	Accumulated Other Comprehensive Income	Total Equity (Deficit)
For the Nine Months Ended September 30, 2018			
Balance as of December 31, 2017	**$(1,304)**	**$ 6**	**$(1,298)**
Adoption of new accounting principle	(5)	—	**(5)**
Net income	92	—	**92**
Other comprehensive loss, net of income taxes	—	(2)	**(2)**
Net transfers (to) from Parent	53	—	**53**
Balance as of September 30, 2018	**$(1,164)**	**$ 4**	**$(1,160)**
For the Nine Months Ended September 30, 2019			
Balance as of December 31, 2018	$(1,034)	$ 7	**$(1,027)**
Adoption of new accounting principle	(3)	3	**—**
Net income	135	—	**135**
Other comprehensive loss, net of income taxes	—	(1)	**(1)**
Net transfers (to) from Parent	95	—	**95**
Balance as of September 30, 2019	**$ (807)**	**$ 9**	**$ (798)**

See accompanying notes to the condensed combined financial statements.

Reynolds Consumer Group

Condensed Combined Statements of Cash Flows
(in millions)
(unaudited)

	For the Nine Months Ended September 30,	
	2019	**2018**
Cash provided by (used in) operating activities		
Net income	$ 135	$ 92
Adjustments to reconcile net income to operating cash flows:		
Depreciation and amortization	63	66
Deferred income taxes	(9)	(26)
Unrealized (gains) losses on derivatives	(9)	8
Non-cash portion of employee benefit obligations	—	2
Change in assets and liabilities:		
Accounts receivable, net	1	(4)
Other receivables	9	6
Related party receivables	(57)	(27)
Inventories	(56)	(132)
Operating lease right-of use assets, net	6	—
Accounts payable	(17)	36
Related party payables	(72)	163
Related party accrued interest payable	121	151
Operating lease liabilities	(6)	—
Income taxes payable	50	42
Accrued and other current liabilities	1	(26)
Other assets and liabilities	(1)	(2)
Employee benefit obligations, net	(1)	(2)
Net cash provided by operating activities	**158**	**347**
Cash provided by (used in) investing activities		
Acquisition of property, plant and equipment	(74)	(50)
Advances to related parties	(170)	(250)
Repayments from related parties	151	65
Net cash used in investing activities	**(93)**	**(235)**
Cash provided by (used in) financing activities		
Long-term debt repayments	(16)	(16)
Advances from related parties	55	187
Repayments to related parties	(140)	(314)
Deferred debt and equity transaction costs	(2)	—
Net transfers from Parent	30	14
Net cash used in financing activities	**(73)**	**(129)**
Cash and cash equivalents:		
Decrease in cash and cash equivalents	(8)	(17)
Balance as of beginning of the period	23	23
Balance as of end of the period	**$ 15**	**$ 6**
Cash paid:		
Interest—long-term debt	80	72
Interest—related party borrowings	6	24
Income taxes, net of refunds	3	7

Significant non-cash investing and financing activities

Refer to Note 7—Leases for details of non-cash additions to operating lease right-of-use assets, net as a result of changes in operating lease liabilities. Refer to Note 16—Related Party Transactions for details of significant non-cash investing and financing activities.

See accompanying notes to the condensed combined financial statements.

Reynolds Consumer Group

Notes to the Condensed Combined Financial Statements
(unaudited)

Note 1—Description of Business and Basis of Presentation

Description of Business:

Reynolds Consumer Group ("we", "us" or "our") comprises the business that has been reported as the Reynolds Consumer Products segment in the consolidated financial statements of Reynolds Group Holdings Limited ("RGHL") and its subsidiaries (collectively, "RGHL Group" or the "Parent").

We produce and sell products across three broad categories: cooking products, waste & storage products and tableware. We sell our products under brands such as Reynolds® and Hefty®, and also under store brands. Our product portfolio includes aluminum foil, wraps, disposable bakeware, trash bags, food storage bags and disposable tableware. We report four business segments: Reynolds Cooking & Baking; Hefty Waste & Storage; Hefty Tableware; and Presto Products.

Basis of Presentation:

We have historically operated as part of RGHL Group and not as a stand-alone entity. Our condensed combined financial statements present the results of operations, financial position and cash flows prepared on a stand-alone basis and have been derived from the accounting records of RGHL Group. All revenues and costs as well as assets and liabilities that are either legally attributable to us or directly associated with our business activities are included in our condensed combined financial statements. Intercompany transactions, profits and balances between our combined entities have been eliminated. Our condensed combined financial statements include Reynolds Consumer Products Inc., the entity whose shares will be issued to the public.

Our condensed combined financial statements are unaudited and presented in U.S. dollars. They have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") for interim financial information. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. Our condensed combined balance sheet as of December 31, 2018 has been derived from our audited combined financial statements at that date. Our condensed combined financial statements should be read in conjunction with our combined financial statements and notes thereto for the year ended December 31, 2018, which include a complete set of footnote disclosures, including our significant accounting policies. In our opinion, these condensed combined financial statements include all normal and recurring adjustments considered necessary for a fair statement of our results of operations, financial position and cash flows for the periods presented. However, our results of operations for any interim period are not necessarily indicative of the results that may be expected for a full fiscal year or for any other future period.

Our condensed combined statements of income include allocations of certain expenses for services provided by RGHL Group, including, but not limited to, general corporate expenses related to group wide functions including executive management, finance, legal, tax, information technology and a portion of a related party management fee incurred by RGHL Group. Total costs allocated to us for these functions were $29 million for each of the nine months ended September 30, 2019 and 2018, which were primarily included in selling, general and administrative expenses in our condensed combined statements of income. These amounts include costs of $17 million and $15 million for the nine months ended September 30, 2019 and 2018, respectively, that were not historically allocated to us as part of RGHL Group's normal monthly reporting process. Additionally, in the nine months ended September 30, 2019 costs of $12 million were allocated to us related to the IPO process that cannot be offset against the expected future IPO proceeds, as well as costs related to our preparations to operate as a stand-alone public company, which were included in other expense, net in our condensed combined

Reynolds Consumer Group

Notes to the Condensed Combined Financial Statements
(unaudited)

statements of income. All of these expenses have been allocated on a basis considered reasonable by management, using either specific identification, such as direct usage or headcount when identifiable, or proportional allocations determined with reference to time incurred, relative to revenues, or other reasonable methods of allocation. Amounts allocated on a proportional basis relate to certain corporate functions and are reflective of the time and effort expended in the provision of these corporate functions to us.

The allocations referred to above may not, however, reflect all actual expenses we would have incurred and may not reflect the combined results of operations, financial position and cash flows had we operated as a stand-alone company during the periods presented. The amount of actual costs that may have been incurred if we were a stand-alone company would depend on a number of factors, including our chosen organizational structure, which functions were performed by our employees or outsourced and strategic decisions made in areas such as information technology and infrastructure.

RGHL Group centrally manages substantially all of our financial resources. We finance our operating and capital requirements through a combination of cash provided by operations, RGHL Group's external borrowings that we have incurred and intercompany funding with RGHL Group. We are a borrower under a portion of RGHL Group's external borrowings and therefore a portion of this third-party debt is reflected as long-term debt on our condensed combined balance sheets. Refer to Note 6—Debt and Borrowing Arrangements for further information. Our intercompany funding with RGHL Group, which is subject to various legal agreements with RGHL Group, is reflected in related party borrowings on our condensed combined balance sheets. We also advance surplus cash to RGHL Group as part of its cash management activities. The balance of these amounts is reflected in non-current related party receivables in our condensed combined balance sheets. Refer to Note 16 —Related Party Transactions for further information.

Net Parent deficit represents the Parent's interest in our net assets. As a direct ownership relationship does not exist between the various entities of our combined group, a Net Parent deficit account is shown in our condensed combined financial statements. The majority of transactions between us and RGHL Group have a history of settlement or are expected to be settled for cash as part of the share offering. These transactions have been reflected in our condensed combined balance sheets as related party receivables and payables. Transactions that do not have a history of settlement are reflected in equity (deficit) in our condensed combined balance sheets as Net Parent deficit and, when cash is utilized (contributed), in our condensed combined statements of cash flows as a financing activity in net transfers from (to) Parent. Refer to Note 16—Related Party Transactions for further information.

Note 2—Summary of Significant Accounting Policies

Use of Estimates:

We prepare our condensed combined financial statements in accordance with U.S. GAAP, which requires us to make estimates and assumptions that affect a number of amounts in our condensed combined financial statements. Significant accounting policy elections, estimates and assumptions include, among others, benefit plan assumptions, valuation assumptions of goodwill and intangible assets, useful lives of long-lived assets, sales incentives and income taxes. We base our estimates on historical experience and other assumptions that we believe are reasonable. If actual amounts differ from estimates, we include the revisions in our combined results of operations in the period the actual amounts become known. Historically, the aggregate differences, if any, between our estimates and actual amounts in any year have not had a material effect on our condensed combined financial statements.

Reynolds Consumer Group

Notes to the Condensed Combined Financial Statements
(unaudited)

Leases:

We determine whether a contract is or contains a lease at contract inception. On January 1, 2019, we began to record operating leases on our condensed combined balance sheet. Right-of-use ("ROU") assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. ROU assets are recognized at the commencement date at the value of the lease liability, adjusted for any prepayments, lease incentives received and initial direct costs incurred. Lease liabilities are recognized at the commencement date based on the present value of remaining lease payments over the lease term. Following initial recognition, lease liability balances are amortized using the effective interest method, while ROU assets are adjusted by the difference between the fixed lease expense recognized and the interest expense associated with the effective interest method in the period.

Some of our leases contain non-lease components, for example common area or other maintenance costs, that relate to the lease components of the agreement. Non-lease components and the lease components to which they relate are accounted for as a single lease component as we have elected to combine lease and non-lease components for all classes of underlying assets. We recognize interest on operating lease liabilities and amortization of ROU assets as a single lease expense for operating leases on a straight-line basis over the lease term. For the nine months ended September 30, 2019, $7 million was recorded in cost of sales and $1 million in selling, general and administrative expenses in our condensed combined statements of income. All operating lease cash payments are recorded within cash flows from operating activities in the condensed combined statements of cash flows. Our lease agreements do not include significant restrictions, covenants or residual value guarantees.

Stock-based Compensation:

Stock-based compensation expense is measured at the grant date based on the fair value of the award and is recognized as expense over the period in which the awards vest in accordance with applicable guidance under ASC 718, *Compensation—Stock Compensation*. In contemplation of us issuing shares to the public, we granted restricted stock units ("RSUs") in July 2019 to certain members of management, pursuant to retention agreements entered into with these employees. These RSUs vest upon satisfaction of both a performance-based vesting condition (the "IPO Condition") and a service-based vesting condition (the "Service Condition"). The IPO Condition will be satisfied as and when we complete our initial public offering. The Service Condition will be satisfied with respect to one-third of an employee's RSUs on each anniversary from the date of our initial public offering for three consecutive years, subject to the employee's continued employment through the applicable vesting date. We account for forfeitures of outstanding but unvested grants in the period they occur. The grant date fair value of the RSUs was approximately $3 million. Although the requisite service period began in July 2019, we have not recognized any compensation expense in our condensed combined financial statements during the nine months ended September 30, 2019, because we concluded that it is not probable that the IPO Condition will be achieved.

New Accounting Pronouncements

Recently Adopted Accounting Guidance:

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") ASU 2016-02, *Leases (Topic 842)*. The ASU revises existing U.S. GAAP and outlines a new model for lessors and lessees to use in accounting for lease contracts. The guidance requires lessees to recognize an ROU asset and a lease liability on the balance sheet for all leases, with the exception of short-term leases.

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Lessees will classify leases as either operating (resulting in straight-line expense recognition) or finance (resulting in a front-loaded expense pattern). In July 2018, the FASB issued an ASU which allows for an alternative transition approach, which will not require adjustments to comparative prior-period amounts. Topic 842 and all related ASUs are effective for fiscal years beginning after December 15, 2018, with early adoption permitted. We adopted the new standard on January 1, 2019 on a modified retrospective basis using a simplified transition approach, with no adjustment made to our prior period combined financial statements. We elected to apply the package of practical expedients, including not reassessing whether expired or existing contracts contained leases, the classification of those leases and initial direct costs for any existing leases. We also elected to exclude short-term leases (term of 12 months or less) from the balance sheet presentation. The most significant impact from adopting the standard is the initial recognition of ROU assets and operating lease liabilities on our condensed combined balance sheet. Upon adoption, we recorded ROU assets (adjusted for deferred rent) and operating lease liabilities of $37 million and $39 million, respectively, representing the present value of future lease payments with terms greater than 12 months. There was no other impact on our condensed combined financial statements.

In February 2018, the FASB issued ASU 2018-02, *Income Statement—Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*. This guidance permits companies to reclassify to retained earnings the tax effects stranded in accumulated other comprehensive income as a result of the U.S. Tax Cuts and Jobs Act of 2017. The ASU is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. We adopted the standard as of January 1, 2019 which resulted in a reclassification of $3 million of income tax expense from accumulated other comprehensive income into Net Parent deficit.

Accounting Guidance Issued But Not Yet Adopted as of September 30, 2019:

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which modifies the impairment model to use an expected loss methodology in place of the currently used incurred loss methodology, which may result in earlier recognition of losses related to financial instruments. This ASU is effective for annual reporting periods beginning after December 15, 2019, with early adoption permitted, and requires a cumulative effect adjustment to the balance sheet upon adoption. We are currently assessing the impact on our condensed combined financial statements.

In August 2018, the FASB issued ASU 2018-14, Compensation—Retirement Benefits—Defined Benefit Plans—General (Subtopic 715-20) Disclosure—Framework—Changes to the Disclosure Requirements for Defined Benefit Plans. The ASU modifies the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. The ASU is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. We are currently evaluating the requirements of this guidance, which is expected to impact our disclosures but is not expected to impact the measurement and recognition of amounts in our condensed combined financial statements.

In August 2018, the FASB issued ASU 2018-15, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract*, which aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs for internal-use software. This ASU is effective for annual reporting periods beginning after December 15, 2019, with early adoption permitted. We are currently assessing the impact on our condensed combined financial statements.

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Note 3—Inventories

Inventories consisted of the following:

	As of September 30, 2019	As of December 31, 2018
	(in millions)	
Raw materials	$ 127	$ 130
Work in progress	53	49
Finished goods	270	224
Spare parts	28	26
Inventories	**$ 478**	**$ 429**

Note 4—Property, Plant and Equipment, Net

Property, plant and equipment, net consisted of the following:

	As of September 30, 2019	As of December 31, 2018
	(in millions)	
Land and land improvements	$ 34	$ 33
Buildings and building improvements	126	124
Machinery and equipment	876	841
Construction in progress	110	76
Property, plant and equipment, at cost	1,146	1,074
Less: accumulated depreciation	(633)	(610)
Property, plant and equipment, net	**$ 513**	**$ 464**

Note 5—Goodwill and Intangible Assets

Goodwill by reportable segment was as follows:

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Total
	(in millions)				
Balance as of December 31, 2018	$ 794	$ 505	$ 282	$ 298	**$1,879**
Movements	—	—	—	—	—
Balance as of September 30, 2019	**$ 794**	**$ 505**	**$ 282**	**$ 298**	**$1,879**

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Intangible assets, net consisted of the following:

	As of September 30, 2019			As of December 31, 2018		
	Gross carrying amount	Accumulated amortization	Net	Gross carrying amount	Accumulated amortization	Net
	(in millions)					
Finite-lived intangible assets						
Customer relationships	$ 580	$ (305)	$ 275	$ 580	$ (283)	$ 297
Trade names	25	(19)	6	25	(17)	8
Total finite-lived intangible assets	**605**	**(324)**	**281**	**605**	**(300)**	**305**
Indefinite-lived intangible assets						
Trade names	850	—	850	850	—	850
Total intangible assets	**$ 1,455**	**$ (324)**	**$1,131**	**$ 1,455**	**$ (300)**	**$1,155**

Note 6—Debt and Borrowing Arrangements

We have incurred borrowings under RGHL Group's Senior Secured Credit Agreement, as amended (the "Credit Agreement").

The information presented below relates to our borrowings under the Credit Agreement, which represent only a portion of the total RGHL Group borrowings incurred under the Credit Agreement. For details regarding our borrowings with RGHL Group, refer to Note 16—Related Party Transactions.

Long-Term Debt:

Long-term debt consisted of the following:

	As of September 30, 2019	As of December 31, 2018
	(in millions)	
U.S. Term Loan	$ 2,021	$ 2,037
Deferred financing transaction costs	(4)	(5)
Original issue discounts	(1)	(2)
	$ 2,016	**$ 2,030**
Less: current portion	(21)	(21)
Long-term debt	**$ 1,995**	**$ 2,009**

Overview—Credit Agreement

The facilities under the Credit Agreement are comprised of (i) U.S. and European Term Loans, denominated in U.S. dollars and euro, respectively, and (ii) a Revolving Facility, denominated in U.S. dollars. For both periods presented, the Revolving Facility has only been utilized by RGHL Group in the form of letters of credit. As of September 30, 2019, RGHL Group has utilized $55 million, including $5 million for our letters of credit. We are a borrower under the U.S. Term Loan. Interest under the U.S. Term Loan comprises LIBOR, with a floor of 0%, plus a margin of 2.75%. We are not a borrower under the European Term Loans.

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The obligations under the Credit Agreement are guaranteed by, and secured by the assets of, certain members of RGHL Group, including certain entities of our combined group. For further details of the guarantees and security we have provided in relation to RGHL Group's external borrowings, refer to Note 12—Commitments and Contingencies.

The U.S. Term Loan requires quarterly amortization payments of 0.25% of the outstanding principal as of February 5, 2017, with the balance due at maturity. Based on our portion of the outstanding borrowings, this represents amortization payments of approximately $5 million per quarter. Borrowings under the U.S. Term Loan may be voluntarily repaid in whole or in part and are subject to mandatory prepayments in certain circumstances, including the requirement to make annual prepayments of both the U.S. and European Term Loans with up to 50% of excess cash flow (which will be reduced to 25% or 0% if specified senior secured first lien leverage ratios are met) as determined in accordance with the Credit Agreement. No excess cash flow prepayments are due in 2019 for the year ended December 31, 2018.

Scheduled Maturities

Below is a schedule of required future repayments on our debt outstanding under the Credit Agreement as of September 30, 2019:

	(in millions)
2019	$ 5
2020	21
2021	21
2022	21
2023	1,953
Total long-term debt	**2,021**

Fair Value of Our Long-Term Debt:

The fair value of our long-term debt as of September 30, 2019 and December 31, 2018, which is a Level 2 fair value measurement, approximates the carrying value due to the variable market interest rate and the stability of RGHL Group's credit profile.

Interest expense, net:

Interest expense, net consisted of the following:

	For the Nine Months Ended September 30,	
	2019	2018
	(in millions)	
Interest expense, external debt	$ 78	$ 71
Interest expense, related party borrowings(1)	128	175
Interest income, related party receivables(1)	(33)	(35)
Amortization of deferred financing transaction costs	1	1
Interest expense, net	**$ 174**	**$ 212**

(1) Refer to Note 16—Related Party Transactions for additional information.

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Note 7—Leases

We lease certain buildings and plant and equipment. Our leases have reasonably assured remaining lease terms of up to 9 years. Certain leases include options to renew for up to 15 years. At lease inception, we determine the lease term by assuming the exercise of those renewal options that are reasonably certain. Some leases have variable payments, however, because they are not based on an index or rate, they are not included in the measurement of ROU assets and operating lease liabilities. Variable payments for real estate leases relate primarily to common area maintenance, insurance, taxes and utilities associated with the properties. Variable payments for equipment leases relate primarily to hours, miles, or other quantifiable usage factors, which are not determinable at the time the lease agreement is entered into. These variable payments are expensed as incurred. The discount rate applied to our leases in determining the present value of lease payments is our incremental borrowing rate based on the information available at the commencement date. Leases with an initial term of 12 months or less are not recorded in our condensed combined balance sheets and we recognize lease expense for these leases on a straight-line basis over the lease term. We do not have finance leases.

Lease costs consisted of the following:

	For the Nine Months Ended September 30, 2019
	(in millions)
Operating lease costs	$ 8
Variable lease costs	1
Short-term lease costs	4
Total lease costs	**$ 13**

As of September 30, 2019, there were no material lease transactions that we have entered into but have not yet commenced.

Future lease payments under non-cancelable leases under prior lease accounting rules (ASC 840) and under the new lease accounting rules (ASC 842) that went into effect on January 1, 2019 were as follows:

	As of September 30, 2019 ASC 842	As of December 31, 2018 ASC 840
	(in millions)	
2019	$ 2	$ 11
2020	10	9
2021	9	8
2022	8	7
2023	4	4
Thereafter	15	15
Total undiscounted lease payments	**$ 48**	**$ 54**
Less: imputed interest	(10)	
Operating lease liabilities	**$ 38**	

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Operating lease liabilities and ROU assets included in our condensed combined balance sheets were as follows:

	As of September 30, 2019 (in millions)
Accrued and other current liabilities	$ 8
Long-term operating lease liabilities	30
	$ 38
Operating lease right-of-use assets, net	$ 35

During the nine months ended September 30, 2019, new leases resulted in the recognition of ROU assets and corresponding lease liabilities of $4 million. During the nine months ended September 30, 2019, cash flows from operating activities include $8 million of payments for operating lease liabilities.

As of September 30, 2019, the weighted average remaining lease term and weighted average discount rate for operating leases was 5.85 years and 7.51%, respectively.

Note 8—Financial Instruments

We are exposed to price risk related to forecasted purchases of certain commodities that we primarily use as raw materials. From time to time we may enter into derivative financial instruments to mitigate certain risks. We are not a party to leveraged derivatives and, by policy, do not use financial instruments for speculative purposes.

We record derivative financial instruments on a gross basis and at fair value in our condensed combined balance sheets in other current assets or accrued and other current liabilities due to their relatively short-term duration. Cash flows from derivative instruments are classified as operating activities in our condensed combined statements of cash flows based on the nature of the derivative instrument. Historically, we have not elected to use hedge accounting. Accordingly, any unrealized gains or losses (mark-to-market impacts) and realized gains or losses are recorded in cost of sales in our condensed combined statements of income.

Fair Value of Derivative Instruments:

Derivative instruments, consisting of commodity contracts, were recorded at fair value in accrued and other current liabilities in our condensed combined balance sheets and consisted of liabilities of $1 million and $9 million as of September 30, 2019 and December 31, 2018, respectively.

Our commodity contracts are primarily commodity swaps and are all Level 2 financial assets and liabilities. Commodity derivatives are valued using an income approach based on the observable market commodity index prices less the contract rate multiplied by the notional amount or based on pricing models that rely on market observable inputs such as commodity prices. Our calculation of the fair value of these financial instruments takes into consideration the risk of non-performance, including counterparty credit risk. The majority of our derivative contracts do not have a legal right of set-off. We manage the credit risk in connection with our derivatives by limiting the amount of exposure with each counterparty and monitoring the financial condition of our counterparties.

We recognized unrealized gains of $9 million and unrealized losses of $8 million for the nine months ended September 30, 2019 and 2018, respectively, in cost of sales in our condensed combined statements of income.

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The following table provides the detail of outstanding commodity derivative contracts as of September 30, 2019:

Type	Unit of measure	Contracted volume	Contracted price range	Contracted date of maturity
Aluminum swaps	Metric tonne	1,212	$1,953.50 - $2,156.50	Oct 2019 - Jan 2020
Aluminum Midwest Premium swaps	Metric tonne	1,212	$395.36 - $405.65	Oct 2019 - Jan 2020
Benzene swaps	U.S. liquid gallon	1,834,714	$2.29 - $2.55	Nov 2019 - Mar 2020
Diesel swaps	U.S. liquid gallon	3,459,286	$3.00 - $3.30	Oct 2019 - Sep 2020

Note 9—Benefit Plans

Related Party Multiemployer Defined Benefit Plan:

Certain of our employees participate in a defined benefit plan sponsored by RGHL Group, along with participants of RGHL Group's other businesses. This plan is accounted for as a multiemployer plan in these condensed combined financial statements and as a result, no asset or liability was recorded by us to recognize the funded status of the plan. We recorded expense of $2 million in cost of sales for each of the nine months ended September 30, 2019 and 2018 related to our employees' participation in the RGHL Group sponsored plan.

Postretirement Benefit Plan:

Certain of our employees in the United States participate in a postretirement benefit plan. Our postretirement benefit plan is not funded.

Components of Net Periodic Postretirement Costs

Net periodic postretirement benefit costs consisted of the following:

	For the Nine Months Ended September 30,	
	2019	2018
	(in millions)	
Service cost	$ —	$ 1
Interest cost	1	1
Amortization of actuarial gain	(2)	(1)
Net periodic postretirement costs	**$ (1)**	**$ 1**

The service cost component of net periodic postretirement costs is recognized in cost of sales, while interest cost and amortization of actuarial gain are recognized in non-operating income, net in the condensed combined statements of income.

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Note 10—Accrued and Other Current Liabilities

Accrued and other current liabilities consisted of the following:

	As of September 30, 2019	As of December 31, 2018
	(in millions)	
Trade promotion allowances	$ 34	$ 40
Accrued personnel costs	41	34
Other	45	49
Accrued and other current liabilities	**$ 120**	**$ 123**

Note 11—Other Expense, Net

Other expense, net consisted of the following:

	For the Nine Months Ended September 30,	
	2019	2018
	(in millions)	
Factoring discount(1)	$ 15	$ 14
Allocated related party Management Fee(2)	7	6
Transaction-related costs(3)	12	—
Other expense, net	**$ 34**	**$ 20**

(1) We participate in an accounts receivable factoring arrangement with a special purpose entity ("SPE") consolidated by RGHL Group whereby we transfer substantially all of our U.S. accounts receivable in their entirety to RGHL Group and satisfy all of the conditions to report the transfer of financial assets in their entirety as a sale. We continue to collect the receivables sold, acting solely as a collecting agent on behalf of RGHL Group. We have not recognized any assets or liabilities related to the servicing arrangement as of September 30, 2019 and December 31, 2018. The SPE is considered to be a variable interest entity, however we are not its primary beneficiary because we do not have the power to direct any of its most significant activities through our arrangement as a collecting agent. The fair value of assets received as proceeds in exchange for the transfer of accounts receivable under this factoring arrangement approximates the fair value of such receivables. We recognized losses of $15 million and $14 million for the nine months ended September 30, 2019 and 2018, respectively, which represents the discount from book values at which these accounts receivable were sold to RGHL Group. The principal amount of receivables sold under this arrangement was $2,400 million and $2,226 million for the nine months ended September 30, 2019 and 2018, respectively. The balance of receivables sold, and still outstanding, was $271 million and $264 million as of September 30, 2019 and December 31, 2018, respectively.

(2) RGHL Group's financing agreements permit the payment to related parties of management, consulting, monitoring and advising fees (the "Management Fee") of up to 1.5% of RGHL Group's Adjusted EBITDA (as defined in RGHL Group's financing agreements) for the previous year. We have been allocated a portion of this Management Fee based on our portion of RGHL Group's Adjusted EBITDA.

(3) We were allocated costs during the nine months ended September 30, 2019 related to the IPO process that cannot be offset against the expected future IPO proceeds, as well as costs related to our preparations to operate as a stand-alone public company.

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Note 12—Commitments and Contingencies

Legal Proceedings:

We are from time to time party to litigation, legal proceedings and tax examinations arising from our operations. Most of these matters involve allegations of damages against us related to employment matters, personal injury and commercial or contractual disputes. We record estimates for claims and proceedings that constitute a present obligation when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of such obligation can be made. While it is not possible to predict the outcome of any of these matters, based on our assessment of the facts and circumstances, we do not believe any of these matters, individually or in the aggregate, will have a material adverse effect on our financial position, results of operations or cash flows. However, actual outcomes may differ from those expected and could have a material effect on our financial position, results of operations or cash flows in a future period.

As of September 30, 2019, there were no legal proceedings pending other than those for which we have determined that the possibility of a material outflow is remote.

Security and Guarantee Arrangements:

As of September 30, 2019, certain of our entities and other related entities within RGHL Group have guaranteed the following borrowings of RGHL Group:

- $3,224 million and €243 million of secured floating rate term loans that mature in 2023 and other obligations under the Credit Agreement, of which $2,021 million is included on our condensed combined balance sheet in long-term debt;
- secured revolving credit facilities of $302 million that mature in 2021 ($55 million utilized as of September 30, 2019) under the Credit Agreement;
- $3,137 million of 5.750% senior secured notes that mature in 2020;
- $345 million of 6.875% senior secured notes that mature in 2021;
- $750 million of floating rate senior secured notes that mature in 2021;
- $1,600 million of 5.125% senior secured notes that mature in 2023;
- $800 million of 7.000% senior notes that mature in 2024; and
- secured local working capital facilities.

Certain of our entities and other related entities within RGHL Group have granted security over their assets to support the secured obligations described above. The equity interests in certain of our entities have been pledged as collateral to support the secured obligations described above. We would only be liable under these guarantees in the event of default by RGHL Group on its obligations, the probability of which we believe is remote. As a result of these arrangements, substantially all of our assets are pledged as security for the secured obligations described above.

Under the Credit Agreement, all of the U.S. Term Loan borrowers are jointly and severally liable for the outstanding principal. The total principal balance outstanding for the U.S. Term Loan was $3,224 million and $3,248 million as of September 30, 2019 and December 31, 2018, respectively. These amounts include the $2,021 million and $2,037 million presented on our condensed combined balance sheets as of September 30,

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2019 and December 31, 2018, respectively. We have not recognized a liability for the additional outstanding principal as we would only be liable under the agreement in the event of default by RGHL Group on its obligations, which we believe is remote.

Note 13—Accumulated Other Comprehensive Income

The following table summarizes the changes in our balances of each component of accumulated other comprehensive income. Amounts reclassified from accumulated other comprehensive income to net income (net of tax) were a net gain of $1 million for each of the nine months ended September 30, 2019 and 2018.

	For the Nine Months Ended September 30,	
	2019	2018
	(in millions)	
Currency translation adjustments:		
Balance as of beginning of period	$ (7)	$ (5)
Currency translation adjustments	—	(1)
Other comprehensive loss	—	(1)
Balance as of end of period	**$ (7)**	**$ (6)**
Postretirement benefit plan:		
Balance as of beginning of period	$ 14	$ 11
Adoption of new accounting principle	3	—
(Gains) and losses reclassified into net income:		
Amortization of actuarial gain	(2)	(1)
Tax benefit on reclassifications	1	—
Other comprehensive loss	(1)	(1)
Balance as of end of period	**$ 16**	**$ 10**
Accumulated other comprehensive income		
Balance as of beginning of period	$ 7	$ 6
Adoption of new accounting principle	3	—
Other comprehensive loss	(1)	(2)
Balance as of end of period	**$ 9**	**$ 4**

Note 14—Income Taxes

Our effective tax rate was 25% and 21% for the nine months ended September 30, 2019 and 2018, respectively. The increase in the effective tax rate was a result of the favorable impact of U.S. state legislative changes enacted in the nine months ended September 30, 2018 and certain non-deductible transaction-related costs recognized in the nine months ended September 30, 2019. Our effective tax rate in both periods reflects the U.S. federal rate of 21%, the impact of state taxes and estimated non-deductible expenses, net of estimated credits.

In addition, on January 1, 2019, we transferred $3 million of income tax expense from accumulated other comprehensive income into Net Parent deficit on adoption of ASU 2018-02. For further details, refer to Note 2—Summary of Significant Accounting Policies.

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Note 15—Segment Information

Our Chief Executive Officer, who has been identified as our Chief Operating Decision Maker ("CODM"), has evaluated how he views and measures our performance. ASC 280 *Segment Reporting* establishes the standards for reporting information about segments in financial statements. In applying the criteria set forth in ASC 280 and in conjunction with a management realignment in June 2019, we have determined that we have four reportable segments—Reynolds Cooking & Baking, Hefty Waste & Storage, Hefty Tableware and Presto Products. The key factors used to identify these reportable segments are the organization and alignment of our internal operations and the nature of our products. This reflects how our CODM monitors performance, allocates capital and makes strategic and operational decisions. Our segments are described as follows:

Reynolds Cooking & Baking

Our Reynolds Cooking & Baking segment produces branded and store brand foil, parchment paper, disposable aluminum pans and slow cooker liners. Our branded products are sold under the Reynolds®, Reynolds KITCHENS and E-Z Foil® brands in the United States, under the ALCAN® brand in Canada and under the Diamond® brand outside of North America.

Hefty Waste & Storage

Our Hefty Waste & Storage segment produces both branded and store brand trash and food storage bags. Our products are sold under brand names such as Hefty® Ultra Strong™, Hefty® Strong Trash Bags and Hefty® Slider Bags.

Hefty Tableware

Our Hefty Tableware segment sells both branded and store brand disposable plates, bowls, platters, cups and cutlery. Our branded products, which include dishes and party cups, are sold under the Hefty® brand.

Presto Products

Our Presto Products segment primarily sells store brand products in four main categories: food storage bags, trash bags, disposable storage containers and food wrap. Our Presto Products segment also includes our specialty business which sells re-sealable closure systems.

Information by Segment:

We present segment adjusted EBITDA ("Adjusted EBITDA") as this is the financial measure by which management and our CODM allocate resources and analyze the performance of our reportable segments.

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Adjusted EBITDA represents each segment's earnings before interest, tax, depreciation and amortization and is further adjusted to exclude unrealized gains and losses on derivatives, costs associated with rationalizing operations and administrative functions, operational process engineering-related consultancy costs, factoring discounts, amortization of actuarial gains, the allocated related party Management Fee and transaction-related costs.

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment total	Unallocated(1)	Total
				(in millions)			
Nine Months Ended September 30, 2019							
Net revenues	$ 744	$ 522	$ 545	$ 386	**$ 2,197**	$ —	**$2,197**
Intersegment revenues	—	11	—	1	12	(12)	—
Total segment net revenues	744	533	545	387	**2,209**	(12)	**2,197**
Adjusted EBITDA	116	142	126	67	**451**		

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment total	Unallocated(1)	Total
				(in millions)			
Nine Months Ended September 30, 2018							
Net revenues	$ 780	$ 501	$ 552	$ 402	**$ 2,235**	$ —	**$2,235**
Intersegment revenues	—	7	—	—	7	(7)	—
Total segment net revenues	780	508	552	402	**2,242**	(7)	**2,235**
Adjusted EBITDA	139	113	118	61	**431**		

Segment assets consisted of the following:

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment total	Unallocated(1)	Total
				(in millions)			
As of September 30, 2019	$ 424	$ 228	$ 148	$ 174	$ 974	$ 3,156	$4,130
As of December 31, 2018	393	190	135	163	881	5,540	6,421

(1) Unallocated includes eliminations of intersegment revenues and unallocated assets, which are comprised of cash, accounts receivable, other receivables, entity-wide property, plant and equipment, goodwill, intangible assets, related party receivables, other assets and operating lease right-of-use assets.

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The following table presents a reconciliation of segment Adjusted EBITDA to combined U.S. GAAP income before income taxes:

	For the Nine Months Ended September 30,	
	2019	2018
	(in millions)	
Segment Adjusted EBITDA	$ 451	$ 431
Corporate / unallocated expenses	(10)	(8)
	441	423
Adjustments to reconcile to U.S. GAAP income before income taxes		
Depreciation and amortization	(63)	(66)
Interest expense, net	(174)	(212)
Factoring discount	(15)	(14)
Transaction-related costs	(12)	—
Allocated related party Management Fee	(7)	(6)
Unrealized gains (losses) on derivatives	9	(8)
Business rationalization costs	(1)	(4)
Other	1	3
Combined U.S. GAAP income before income taxes	**$ 179**	**$ 116**

Information in Relation to Products:

Net revenues by product line are as follows:

	For the Nine Months Ended September 30,	
	2019	2018
	(in millions)	
Waste and storage products(1)	$ 908	$ 903
Cooking products	744	780
Tableware	545	552
Net revenues	**$ 2,197**	**$ 2,235**

(1) Waste and storage products are comprised of our Hefty Waste & Storage and Presto Products segments.

Our different product lines are generally sold to a common group of customers. For all product lines, there is a relatively short time period between the receipt of the order and the transfer of control over the goods to the customer.

Note 16—Related Party Transactions

Our parent is RGHL, the ultimate parent is Packaging Holdings Limited, and the ultimate shareholder is Mr. Graeme Hart.

In addition to the allocation of expenses for certain services related to group wide functions provided by RGHL Group discussed in Note 1—Description of Business and Basis of Presentation, other transactions between us and RGHL Group are described below. As indicated, certain transactions are reflected in equity (deficit) in our condensed combined balance sheets as Net Parent deficit and in our condensed combined statements of cash flows as a financing activity in net transfers from Parent.

Reynolds Consumer Group

Notes to the Condensed Combined Financial Statements
(unaudited)

Revenues from product sold to RGHL Group were $114 million and $122 million for the nine months ended September 30, 2019 and 2018, respectively, and the related costs of sales were $110 million and $117 million for the nine months ended September 30, 2019 and 2018, respectively. We charged RGHL Group a portion of our warehousing costs of $1 million for each of the nine months ended September 30, 2019 and 2018, which were included in cost of sales. Current related party receivables were $44 million and $30 million as of September 30, 2019 and December 31, 2018, respectively.

Products purchased from RGHL Group were $353 million and $398 million for the nine months ended September 30, 2019 and 2018, respectively. RGHL Group charged us freight and warehousing costs of $106 million for each of the nine months ended September 30, 2019 and 2018, which were included in cost of sales. Current related party payables were $93 million and $268 million as of September 30, 2019 and December 31, 2018, respectively. These related party receivables and payables are settled regularly with RGHL Group in the normal course of business.

Property, plant and equipment related to our Hefty Tableware segment contributed to us by RGHL Group was $8 million and $2 million for the nine months ended September 30, 2019 and 2018, respectively.

We have written interest-bearing loan agreements in place with RGHL Group which are presented as related party long-term receivables and related party borrowings on our condensed combined balance sheets. These balances are expected to be settled in cash. In June 2019, our non-current related party receivables and a portion of current related party receivables were used to reduce the balances outstanding of various related party borrowings, related party accrued interest payable and related party payables. As a result of this process, we net settled related party borrowings of $1,714 million, related party accrued interest payable of $655 million and related party payables of $94 million. Accordingly, we had no related party long-term receivables as of September 30, 2019. Related party long-term receivables were $2,401 million as of December 31, 2018. Related party borrowings were $2,148 million and $3,950 million as of September 30, 2019 and December 31, 2018, respectively. Related party accrued interest payable was $42 million and $576 million as of September 30, 2019 and December 31, 2018, respectively. We remit accrued interest payable to RGHL Group as and when requested in conjunction with its cash management activities. Interest expense and income related to these loan agreements are discussed in Note 6—Debt and Borrowing Arrangements, and are accrued based on the written loan agreements. During the nine months ended September 30, 2019 and 2018 we borrowed $55 million and $187 million, respectively, from RGHL Group and repaid borrowings of $140 million and $314 million, respectively. During the nine months ended September 30, 2019 and 2018 we advanced loans of $170 million and $250 million, respectively, to RGHL Group and received repayments of $151 million and $65 million, respectively.

The weighted average contractual interest rate related to our related party borrowings as of September 30, 2019 and December 31, 2018, was 2.19% and 6.00%, respectively. Below is a schedule of maturity of our related party borrowings as of September 30, 2019. The fair value of our related party borrowings as of September 30, 2019 and December 31, 2018, which is a Level 2 fair value measurement, approximates the carrying value.

	(in millions)
2019	$ 1
2020	—
2021	—
2022	1,497
2023	650
Total related party borrowings	**$ 2,148**

Reynolds Consumer Group

Notes to the Condensed Combined Financial Statements
(unaudited)

As discussed in Note 11—Other Expense, Net, we also participate in RGHL Group's accounts receivable factoring arrangement whereby certain of our accounts receivable are sold at a discount to RGHL Group. Costs for participating in the factoring arrangement are disclosed in Note 11—Other Expense, Net.

We have obtained a letter of support from RGHL confirming its commitment to provide us with financial support to the extent that other sources of funding are not otherwise available to us, expiring the earliest of (i) December 28, 2020, (ii) a sale of the business or (iii) an initial public offering.

In addition, our U.S. entities are members of a consolidated U.S. tax entity. The current U.S. federal tax liability of our U.S. entities is aggregated with the other members of the consolidated U.S. tax entity and settled on a net basis by a related party. There is no formal tax sharing arrangement. The settlement of our current U.S. federal tax is recognized directly as a movement in Net Parent deficit.

Note 17—Subsequent Events

There have been no events subsequent to September 30, 2019 which would require accrual or disclosure in these condensed combined financial statements. Subsequent events have been evaluated through October 25, 2019, the date these condensed combined financial statements were available to be issued.

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SIMPLIFY DAILY LIFE TO ENJOY WHAT MATTERS MOST


Reynolds
Consumer Products
Through and including , 2020 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

Estimated expenses, other than underwriting discounts and commissions, of the sale of our common stock, are as follows (in thousands):

	Amount to Be Paid
SEC registration fee	$ 197,150
FINRA filing fee	225,500
Nasdaq listing fee	295,000
Transfer agent's fees	15,000
Printing and engraving expenses	1,000,000
Legal fees and expenses	3,000,000
Accounting fees and expenses	1,000,000
Miscellaneous	1,267,350
Total	$ 7,000,000

Each of the amounts set forth above, other than the registration fee, the FINRA filing fee and the Nasdaq listing fee, is an estimate.

Item 14. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending or completed actions, suits or proceedings in which such person is made a party by reason of such person being or having been a director, officer, employee or agent to the registrant. The Delaware General Corporation Law provides that Section 145 is not exclusive of other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise. The registrant's amended and restated bylaws provides for indemnification by the registrant of its directors, officers and employees to the fullest extent permitted by the Delaware General Corporation Law. The registrant has entered into indemnification agreements with each of its current directors and executive officers to provide these directors and executive officers additional contractual assurances regarding the scope of the indemnification set forth in the registrant's amended and restated certificate of incorporation and amended and restated bylaws and to provide additional procedural protections. There is no pending litigation or proceeding involving a director or executive officer of the registrant for which indemnification is sought.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for unlawful payments of dividends or unlawful stock repurchases, redemptions or other distributions, or (iv) for any transaction from which the director derived an improper personal benefit. The registrant's amended and restated certificate of incorporation provides for such limitation of liability.

The registrant maintains standard policies of insurance under which coverage is provided (a) to its directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act, and (b) to the

registrant with respect to payments which may be made by the registrant to such officers and directors pursuant to the above indemnification provision or otherwise as a matter of law.

The proposed form of underwriting agreement filed as Exhibit 1.1 to this registration statement provides for indemnification of directors and officers of the registrant by the underwriters against certain liabilities.

Item 15. Recent Sales of Unregistered Securities

None.

Item 16. Exhibits and Financial Statement Schedules

(a) The following exhibits are filed as part of this registration statement:

Exhibit Number	Description
1.1	Form of Underwriting Agreement
3.1*	Form of Amended and Restated Certificate of Incorporation
3.2*	Form of Amended and Restated By-Laws
5.1	Opinion of Davis Polk & Wardwell LLP
10.1†*	Form of Director and Officer Indemnification Agreement
10.2†*	Form of 2020 Equity Incentive Plan
10.3†*	Form of Restricted Stock Unit Award Letter
10.4†*	Form of Restricted Stock Award Letter
10.5†*	Form of Performance Share Unit Award Letter
10.6†*	Employment Agreement, dated July 8, 2019, between Reynolds Consumer Products LLC and Lance Mitchell
10.7†*	Employment Agreement, dated July 8, 2019, between Reynolds Consumer Products LLC and Michael Graham
10.8†*	Employment Agreement, dated July 8, 2019, between Reynolds Consumer Products LLC and Craig Cappel
10.9†*	Employment Agreement, dated July 18, 2019, between Reynolds Consumer Products LLC and Stephan Pace
10.10†*	Lance Mitchell Transaction Success Bonus Letter, dated July 8, 2019
10.11†*	Michael Graham Transaction Success Bonus Letter, dated July 8, 2019
10.12†*	Craig Cappel Transaction Success Bonus Letter, dated July 8, 2019
10.13†*	Stephan Pace Transaction Success Bonus Letter, dated July 8, 2019
10.14†*	Lance Mitchell Restricted Stock Memo, dated July 8, 2019
10.15†*	Michael Graham Restricted Stock Memo, dated July 8, 2019
10.16†*	Craig Cappel Restricted Stock Memo, dated July 8, 2019
10.17†*	Stephan Pace Restricted Stock Memo, dated July 8, 2019
10.18*	Master Supply Agreement, dated November 1, 2019 between Reynolds Consumer Products LLC, as Seller, and Pactiv LLC, as Buyer
10.19*	Master Supply Agreement, dated November 1, 2019 between Pactiv LLC, as Seller, and Reynolds Consumer Products LLC, as Buyer

Exhibit Number	Description
10.20*	Warehousing and Freight Services Agreement, dated November 1, 2019 between Pactiv LLC and Reynolds Consumer Products LLC
10.21*	Transition Services Agreement, dated November 1, 2019 between Pactiv LLC and Reynolds Consumer Products LLC
10.22	Form of Transition Services Agreement between Reynolds Group Holdings Inc. and Reynolds Consumer Products Inc.
10.23	Amended and Restated Lease Agreement, dated as of January 1, 2020, between Pactiv LLC and Reynolds Consumer Products LLC
10.24	Form of Tax Matters Agreement
10.25*	Form of Registration Rights Agreement between Packaging Finance Limited and Reynolds Consumer Products Inc.
10.26	Form of Stockholders Agreement between Packaging Finance Limited and Reynolds Consumer Products Inc.
10.27	Form of Credit Agreement between Reynolds Consumer Products LLC, as borrower, Reynolds Consumer Products Inc., as parent, and certain lenders party thereto
10.28*	Form of Transition Services Agreement between Rank Group Limited and Reynolds Consumer Products Inc.
21.1*	List of subsidiaries
23.1	Consent of PricewaterhouseCoopers LLP
23.2	Consent of Davis Polk & Wardwell LLP (included in Exhibit 5.1)
24.1*	Power of Attorney (included on signature page to the registration statement)
99.1*	Consent of Marla Gottschalk to be named as a director nominee
99.2*	Consent of Richard Noll to be named as a director nominee

† Consists of a management contract or compensatory plan or arrangement.
* Previously filed.

(b) Financial Statement Schedules

None.

Item 17. Undertakings

The undersigned registrant hereby undertakes:

(a) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions referenced in Item 14 of this registration statement, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered hereunder, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(b) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

EXHIBIT INDEX

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99.1*	Consent of Marla Gottschalk to be named as a director nominee	
99.2*	Consent of Richard Noll to be named as a director nominee	

† Consists of a management contract or compensatory plan or arrangement.
* Previously filed.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the State of Delaware, on the 21st day of January, 2020.

REYNOLDS CONSUMER PRODUCTS INC.

By: /s/ Lance Mitchell
Name: Lance Mitchell
Title: Chief Executive Officer

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Lance Mitchell, Michael Graham and David Watson, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and any and all additional registration statements pursuant to Rule 462(b) of the Securities Act of 1933, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto each said attorney-in-fact and agents full power and authority to do and perform each and every act in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or either of them or their or his or her substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Lance Mitchell Lance Mitchell	Chief Executive Officer and Director (principal executive officer)	January 21, 2020
/s/ Michael Graham Michael Graham	Chief Financial Officer (principal financial officer and principal accounting officer)	January 21, 2020
/s/ Gregory Cole Gregory Cole	Director	January 21, 2020
/s/ Thomas Degnan Thomas Degnan	Director	January 21, 2020
/s/ Helen Golding Helen Golding	Director	January 21, 2020

Exhibit 1.1

[•] Shares

REYNOLDS CONSUMER PRODUCTS INC.

Common Stock

UNDERWRITING AGREEMENT

[•], 2020

Credit Suisse Securities (USA) LLC,
Goldman Sachs & Co. LLC,
J.P. Morgan Securities LLC,
As Representatives of the Several Underwriters,
c/o Credit Suisse Securities (USA) LLC,
Eleven Madison Avenue,
New York, N.Y. 10010-3629

Ladies and gentlemen:

1. *Introductory*. Reynolds Consumer Products Inc., a Delaware corporation (the "**Company**"), agrees with the several Underwriters named in Schedule A hereto (the "**Underwriters**") to issue and sell to the several Underwriters [•] shares of its common stock, $0.001 par value per share (the "**Securities**") (such [•] shares of Securities being hereinafter referred to as the "**Firm Securities**"). The Company also agrees to sell to the Underwriters, at the option of the Underwriters, an aggregate of not more than [•] additional shares of its Securities (all such additional shares of Securities, the "**Optional Securities**"), as set forth below. The Firm Securities and the Optional Securities are herein collectively called the "**Offered Securities**".

2. *Representations and Warranties of the Company*. The Company represents and warrants to, and agrees with, the several Underwriters that:

(a) *Filing and Effectiveness of Registration Statement; Certain Defined Terms*. The Company has filed with the Commission a registration statement on Form S-1 (No. 333-234731) covering the registration of the Offered Securities under the Act, including a related preliminary prospectus or prospectuses. At any particular time, this initial registration statement, in the form then on file with the Commission, including all information contained in the registration statement (if any) pursuant to Rule 462(b) and then deemed to be a part of the initial registration statement, and all 430A Information and 430C Information, that in any case has not then been superseded or modified, shall be referred to as the "**Initial Registration Statement**". The Company may also have filed, or may file with the Commission, a Rule 462(b) registration statement covering the registration of the Offered Securities. At any particular time, this Rule 462(b) registration statement, in the form then on file with the Commission, including the contents of the Initial Registration Statement incorporated by reference therein and including all 430A Information and all 430C Information, that in any case has not then been superseded or modified, shall be referred to as the "**Additional Registration Statement**".

As of the time of execution and delivery of this Agreement, the Initial Registration Statement has been declared effective under the Act and is not proposed to be amended. Any Additional Registration Statement has or will become effective upon filing with the Commission pursuant to Rule 462(b) and is not proposed to be amended. No order suspending the effectiveness of a Registration Statement has been issued by the Commission, and no proceeding for that purpose or pursuant to Section 8A of the Act against the Company or related to the offering of the Offered Securities has been initiated or threatened by the Commission. The Offered Securities all have been or will be duly registered under the Act pursuant to the Initial Registration Statement and, if applicable, the Additional Registration Statement.

For purposes of this Agreement:

"**430A Information**", with respect to any registration statement, means information included in a prospectus and retroactively deemed to be a part of such registration statement pursuant to Rule 430A(b).

"**430C Information**", with respect to any registration statement, means information included in a prospectus then deemed to be a part of such registration statement pursuant to Rule 430C.

"**Act**" means the Securities Act of 1933, as amended.

"**Applicable Time**" means [•]:00 [a/p]m (Eastern time) on the date of this Agreement.

"**Closing Date"** has the meaning defined in Section 3 hereof.

"**Commission**" means the United States Securities and Exchange Commission.

"**Effective Time**" with respect to the Initial Registration Statement or, if filed prior to the execution and delivery of this Agreement, the Additional Registration Statement means the date and time as of which such Registration Statement was declared effective by the Commission or has become effective upon filing pursuant to Rule 462(c). If an Additional Registration Statement has not been filed prior to the execution and delivery of this Agreement but the Company has advised the Representatives that it proposes to file one, "**Effective Time**" with respect to such Additional Registration Statement means the date and time as of which such Additional Registration Statement is filed and becomes effective pursuant to Rule 462(b).

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

"**Final Prospectus**" means the Statutory Prospectus that discloses the public offering price, other 430A Information and other final terms of the Offered Securities and otherwise satisfies Section 10(a) of the Act.

"**General Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being so specified in Schedule B to this Agreement.

"**Issuer Free Writing Prospectus**" means any "issuer free writing prospectus," as defined in Rule 433, relating to the Offered Securities in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g).

"**Limited Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is not a General Use Issuer Free Writing Prospectus.

The Initial Registration Statement and any Additional Registration Statement, after the filing thereof, are referred to collectively as the "**Registration Statements**" and each is individually referred to as a "**Registration Statement**". A "**Registration Statement**" with reference to a particular time means the Initial Registration Statement and any Additional Registration Statement as of such time. A "**Registration Statement**" without reference to a time means such Registration Statement as of its Effective Time. For purposes of the foregoing definitions, 430A Information with respect to a Registration Statement shall be considered to be included in such Registration Statement as of the time specified in Rule 430A.

"**RGHL Parties**" means Reynolds Group Holdings Limited, a company organized under the laws of New Zealand, and each of its subsidiaries.

"**Rules and Regulations**" means the rules and regulations of the Commission.

"**Securities Laws**" means, collectively, the Sarbanes-Oxley Act of 2002, as amended, and all rules and regulations promulgated thereunder or implementing the provisions thereof ("**Sarbanes-Oxley**"), the Act, the Exchange Act, the Rules and Regulations, the auditing principles, rules, standards and practices

applicable to auditors of "issuers" (as defined in Sarbanes-Oxley) promulgated or approved by the Public Company Accounting Oversight Board and, as applicable, the rules of The New York Stock Exchange and The Nasdaq Stock Market LLC ("**Exchange Rules**").

"**Statutory Prospectus**" with reference to a particular time means the prospectus included in a Registration Statement immediately prior to that time, including any 430A Information or 430C Information with respect to such Registration Statement. For purposes of the foregoing definition, 430A Information shall be considered to be included in the Statutory Prospectus as of the actual time that form of prospectus is filed with the Commission pursuant to Rule 424(b) or Rule 462(c) and not retroactively.

"**subsidiary**", with respect to the Company, shall mean each subsidiary of the Company following the consummation of the Corporate Reorganization (as defined in the Initial Registration Statement).

"**Testing-the-Waters Communication**" means any oral or written communication with potential investors undertaken in reliance on Rule 163B under the Act.

"**Written Testing-the-Waters Communication**" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Act.

Unless otherwise specified, a reference to a "Rule" is to the indicated rule under the Act.

(b) *Compliance with Securities Act Requirements*. (i) (A) At their respective Effective Times, (B) on the date of this Agreement and (C) on each Closing Date, each of the Initial Registration Statement and the Additional Registration Statement (if any) conformed and will conform in all material respects to the requirements of the Act and the Rules and Regulations, and did not and will not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and (ii) on its date, at the time of filing of the Final Prospectus pursuant to Rule 424(b) or (if no such filing is required) at the Effective Time of the Additional Registration Statement in which the Final Prospectus is included, and on each Closing Date, the Final Prospectus will conform in all material respects to the requirements of the Act and the Rules and Regulations and will not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading. The preceding sentence does not apply to statements in or omissions from any such document based upon written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information is that described as such in Section 8(b) hereof.

(c) *Ineligible Issuer Status.* (i) At the time of the initial filing of the Initial Registration Statement and of any post-effective amendment thereto and (ii) at the date of this Agreement, the Company was not and is not an "ineligible issuer," as defined in Rule 405, including (x) the Company or any subsidiary of the Company in the preceding three years not having been convicted of a felony or misdemeanor or having been made the subject of a judicial or administrative decree or order as described in Rule 405 and (y) the Company in the preceding three years not having been the subject of a bankruptcy petition or insolvency or similar proceeding, not having had a registration statement be the subject of a proceeding under Section 8 of the Act and not being the subject of a proceeding under Section 8A of the Act in connection with the offering of the Offered Securities, all as described in Rule 405.

(d) *General Disclosure Package*. As of the Applicable Time, neither (i) the General Use Issuer Free Writing Prospectus(es), if any, issued at or prior to the Applicable Time, the preliminary prospectus, dated [•], 2020 (which is the most recent Statutory Prospectus distributed to investors generally) and the other information, if any, stated in Schedule B to this Agreement to be included in the General Disclosure Package, all considered together (collectively, the "**General Disclosure Package**"), (ii) any individual Limited Use Issuer Free Writing Prospectus, when considered together with the General Disclosure Package or (iii) any individual Written Testing-the-Waters Communication, when considered together with the General Disclosure Package, included any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any Statutory Prospectus, any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication made in reliance upon and in conformity with written information furnished to the Company by any

Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(b) hereof.

(e) *Issuer Free Writing Prospectuses*. Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Offered Securities or until any earlier date that the Company notified or notifies the Representatives as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information then contained in the Registration Statement. If at any time following issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information then contained in the Registration Statement or as a result of which such Issuer Free Writing Prospectus, if republished immediately following such event or development, would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, (i) the Company has promptly notified or will promptly notify the Representatives and (ii) the Company has promptly amended or will promptly amend or supplement such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission. The preceding sentence does not apply to statements in or omissions from any Issuer Free Writing Prospectus made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(b) herein.

(f) *Good Standing of the Company.* The Company has been duly incorporated and is validly existing as a corporation and in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and the Final Prospectus and to enter into and perform its obligations under this Agreement; and the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification.

(g) *Subsidiaries.* Each subsidiary of the Company has been, or upon consummation of the Corporate Reorganization will be, duly incorporated or organized and is validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with power and authority (corporate and other) to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and the Final Prospectus; and each subsidiary of the Company is, or upon consummation of the Corporate Reorganization will be, duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification; all of the issued and outstanding capital stock of each subsidiary of the Company has been, or upon consummation of the Corporate Reorganization will be, duly authorized and validly issued and is, or will be, fully paid and nonassessable; and the capital stock of each subsidiary owned by the Company, directly or through subsidiaries, is, or upon consummation of the Corporate Reorganization will be, owned free from liens, encumbrances and defects.

(h) *Offered Securities*. The Offered Securities and all other outstanding shares of capital stock of the Company have been duly authorized; the authorized equity capitalization of the Company is as set forth in the Registration Statement, the General Disclosure Package and the Final Prospectus; all outstanding shares of capital stock of the Company are, and, when the Offered Securities have been delivered and paid for in accordance with this Agreement on each Closing Date, such Offered Securities will have been, validly issued, fully paid and nonassessable, will conform to the information in the General Disclosure Package and to the description of such Offered Securities contained in the Final Prospectus; the stockholders of the Company have no preemptive rights with respect to the Offered Securities; and none of the outstanding shares of capital stock of the Company have been issued in violation of any preemptive or similar rights of any security holder of the Company. Except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, there are no outstanding (A) securities or obligations of the Company convertible into or exchangeable for any capital stock of the Company, (B) warrants, rights or options to subscribe for or purchase from the Company any such capital stock or any such convertible or exchangeable securities or obligations or (C) obligations of the Company to issue or sell any shares of capital stock, any such convertible or exchangeable securities or obligations or any such warrants, rights or options. The Company has not, directly or indirectly, offered or sold any of the Offered Securities by means of any “prospectus” (within the meaning of the Act and the Rules and Regulations) or used any “prospectus” or made any offer (within the meaning

of the Act and the Rules and Regulations) in connection with the offer or sale of the Offered Securities, in each case other than the preliminary prospectus referred to in Section 2(a) hereof, the General Disclosure Package and the Final Prospectus.

(i) *No Finder's Fee.* Except as disclosed in the Registration Statement, the General Disclosure Package, the Final Prospectus and as contemplated by this Agreement, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering.

(j) *Registration Rights.* Except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in the securities registered pursuant to a Registration Statement or in any securities being registered pursuant to any other registration statement filed by the Company under the Act. (collectively, "**registration rights**"), and any person to whom the Company has granted registration rights has agreed not to exercise such rights until after the expiration of the Lock-Up Period referred to in Section 5(k) hereof.

(k) *Listing.* The Offered Securities have been approved for listing on the Nasdaq Stock Market, subject to official notice of issuance.

(l) *Absence of Further Requirements.* No consent, approval, authorization, or order of, or filing or registration with, any person (including any governmental agency or body or any court) is required to be obtained or made by the Company for the consummation of the transactions contemplated by this Agreement in connection with the offering, issuance and sale of the Offered Securities, except such as have been obtained, or made and such as may be required under state securities laws or by the Financial Industry Regulatory Authority ("**FINRA**").

(m) *Title to Property*. Except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, the Company and its subsidiaries have good and marketable title to all real properties and all other properties and assets owned by them, in each case free from all liens, charges, mortgages, pledges, security interests, claims, restrictions or encumbrances of any kind and defects that would materially affect the value thereof or materially interfere with the use made or to be made thereof by them (other than liens, charges, mortgages, pledges, security interests, claims, restrictions or encumbrances under the existing credit agreement and indentures of the RGHL Parties that will be released on or prior to the Closing Date) and, except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, the Company and its subsidiaries hold any leased real or personal property under valid and enforceable leases with no terms or provisions that would materially interfere with the use made or to be made thereof by them.

(n) *Absence of Defaults and Conflicts Resulting from Transaction.* Except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, the execution, delivery and performance of this Agreement, the issuance and sale of the Offered Securities and the consummation of the Corporate Reorganization will not result in a breach or violation of any of the terms and provisions of, or constitute a default or a Debt Repayment Triggering Event (as defined below) under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of the RGHL Parties, the Company or any of its subsidiaries pursuant to, (i) the charter or by-laws or similar organizational documents of the RGHL Parties, the Company or any of its subsidiaries, (ii) any statute, rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the RGHL Parties, the Company or any of its subsidiaries or any of their properties, or (iii) any agreement or instrument to which the RGHL Parties, the Company or any of its subsidiaries is a party or by which the RGHL Parties, the Company or any of its subsidiaries is bound or to which any of the properties of the RGHL Parties, the Company or any of its subsidiaries is subject, except, with respect to clauses (ii) and (iii) above, for any such breach, violation or default that would, individually or in the aggregate, neither reasonably be expected to materially and adversely affect the consummation of the transactions contemplated by this Agreement or the Corporate Reorganization nor have a Material Adverse Effect; a "**Debt Repayment Triggering Event**" means any event or condition that gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture, or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase,

redemption or repayment of all or a portion of such indebtedness by the RGHL Parties, the Company or any of its subsidiaries.

(o) *Absence of Existing Defaults and Conflicts.* None of the RGHL Parties, the Company or any of its subsidiaries is, or upon consummation of the Corporate Reorganization will be, (i) in violation of its respective charter or by-laws or similar organizational documents; (ii) in default (or with the giving of notice or lapse of time would be in default) under any existing obligation, agreement, covenant or condition contained in any indenture, loan agreement, mortgage, lease or other agreement or instrument to which any of them is a party or by which any of them is bound or to which any of the properties of any of them is subject; or (iii) in violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except in the case of clauses (ii) and (iii) above, for any such defaults or violation that would not, individually or in the aggregate, result in a material adverse effect on the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole ("**Material Adverse Effect**").

(p) *Authorization of Agreement.* This Agreement has been duly authorized, executed and delivered by the Company and the Company has the full right, power and authority to perform its obligations hereunder.

(q) *Authorization of Corporate Reorganization.* The Company has duly authorized the applicable steps constituting the Corporate Reorganization for which it is responsible. Each of the agreements to be entered into to effect the Corporate Reorganization (collectively, the "**Corporate Reorganization Agreements**") has been duly authorized, executed and delivered by the Company and each of its subsidiaries party thereto and, assuming due authorization, execution and delivery by the other parties thereto, will each be valid and legally binding agreements of the Company and each of its subsidiaries party thereto, enforceable against the Company and such subsidiaries in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles. Except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, the execution, delivery and performance of the Corporate Reorganization Agreements will not result in a breach or violation of any of the terms and provisions of, or constitute a default or a Debt Repayment Triggering Event under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, (i) the charter or by-laws or similar organizational documents of the Company or any of its subsidiaries, (ii) any statute, rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any of its subsidiaries or any of their properties, or (iii) any agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the properties of the Company or any of its subsidiaries is subject.

(r) *Possession of Licenses and Permits.* The Company and its subsidiaries possess, and are in compliance in all material respects with the terms of, all adequate certificates, authorizations, franchises, licenses, permits, approvals, consents, orders, certifications, accreditations and other authorizations (collectively, "**Licenses**") issued by appropriate federal, state, local or foreign regulatory bodies necessary or material to the conduct of the business now conducted or proposed in the Registration Statement, the General Disclosure Package and the Final Prospectus to be conducted by them. The Company and each of its subsidiaries are in material compliance with the terms and conditions of all such Licenses and have not received any notice of proceedings relating to the revocation or modification of any Licenses that, in each case, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect.

(s) *Absence of Labor Dispute.* No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is imminent that would, individually or in the aggregate, have a Material Adverse Effect.

(t) *Possession of Intellectual Property.* Except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, the Company and its subsidiaries (i) own, possess the right to use or can acquire on reasonable terms, adequate trademarks, trade names and other rights to inventions, know-how, patents, copyrights, confidential information and other intellectual property (collectively, "**intellectual property rights**") necessary to conduct the business now operated by them, or presently employed by them, and (ii) have not received any written notice of infringement of or conflict with asserted rights of others with respect to any intellectual

property rights, except for such infringements or conflicts that would not, individually or in the aggregate, have a Material Adverse Effect.

(u) *Environmental Laws.* Except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, (a) neither the Company nor any of its subsidiaries (i) is or, other than with respect to matters that have been fully resolved, has been in violation of any applicable foreign, federal, state or local statute, law, rule, regulation, judgment, order, decree, decision, ordinance, code or other legally binding requirement (including common law) relating to the pollution, protection or restoration of the environment, wildlife or natural resources; human health or safety (as relates to exposure to hazardous or toxic materials); or the generation, use, handling, transportation, treatment, storage, discharge, disposal or release of, or exposure to, any Hazardous Substance (as defined below) (collectively, "**Environmental Laws**"), (ii) is conducting or funding, in whole or in part, any investigation, remediation, monitoring or other corrective action pursuant to any Environmental Law, including to address any actual or suspected release of any Hazardous Substance, (iii) has received written notice of, or is subject to any action, suit, claim or proceeding alleging, any actual or potential liability under, or violation of, any Environmental Law, including with respect to any Hazardous Substance, (iv) is party to any order, decree or agreement that imposes any obligation or liability under any Environmental Law, or (v) is or, other than with respect to matters that have been fully resolved, has been in violation of, or has failed to obtain and maintain, any permit, license, authorization, identification number or other approval required under Environmental Laws; (b) to the knowledge of the Company or any of its subsidiaries, there are no facts or circumstances that would reasonably be expected to result in any violation of or liability under any Environmental Law, including with respect to any Hazardous Substance, except in the case of clause (a) and (b) above, for such matters as would not individually or in the aggregate have a Material Adverse Effect; and (c) neither the Company nor any of its subsidiaries (i) is subject to any pending, or to the knowledge of the Company or any of its subsidiaries, threatened proceeding under any Environmental Laws in which a governmental entity is also a party, other than such proceedings regarding which it is reasonably believed no monetary sanctions of $100,000 or more will be imposed, (ii) is aware of any material effect on the capital expenditures, earnings or competitive position of the Company and its subsidiaries resulting from compliance with Environmental Laws, or (iii) anticipates any material capital expenditures relating to any Environmental Laws. For purposes of this subsection, "**Hazardous Substance**" means (A) any pollutant, contaminant, petroleum and petroleum products, by-products or breakdown products, radioactive materials, asbestos, asbestos-containing materials, polychlorinated biphenyls or toxic mold, and (B) any other toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous chemical, material, waste or substance, in each case that is regulated or which can give rise to liability under any Environmental Law.

(v) *Accurate Disclosure.* The statements in the Registration Statement, the General Disclosure Package and the Final Prospectus under the headings "Material U.S. Federal Tax Considerations for Non-U.S. Holders of Common Stock," "Description of Capital Stock," the fifth paragraph under the heading "Prospectus Summary—Our Corporate Information" and "Certain Relationships and Related Party Transactions", insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, are accurate and fair summaries of such legal matters, agreements, documents or proceedings and present the information required to be shown.

(w) *Absence of Manipulation*. Neither the Company nor any affiliate of the Company has taken, nor will the Company or any affiliate take, directly or indirectly, any action that is designed, or would be expected, to cause or result in, or which constitutes, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities or to result in a violation of Regulation M under the Exchange Act.

(x) *Statistical and Market-Related Data.* Any third-party statistical and market-related data included in a Registration Statement, a Statutory Prospectus, the General Disclosure Package, the Final Prospectus or any Written Testing-the-Waters Communication is based on or derived from sources that the Company believes to be reliable and accurate.

(y) *Compliance with the Sarbanes-Oxley Act.* The Company has taken all necessary actions to ensure that, upon the effectiveness of the Registration Statement, it will be in compliance with all provisions of Sarbanes-Oxley that are then in effect and with which the Company is required to comply as of the effectiveness of the Registration Statement, and is actively taking steps to ensure that it will be in compliance with other provisions of

the Sarbanes-Oxley Act not currently in effect, upon the effectiveness of such provisions, or which will become applicable to the Company at all times after the effectiveness of the Registration Statement.

(z) *Internal Controls.* The Company maintains a system of internal controls, including, but not limited to, disclosure controls and procedures, internal controls over accounting matters and financial reporting, an internal audit function and legal and regulatory compliance controls (collectively, "**Internal Controls**") that comply with applicable Securities Laws and are sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles ("**GAAP**") and to maintain accountability for assets, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Upon consummation of the offering of the Offered Securities, the Internal Controls will be overseen by the Audit Committee (the "**Audit Committee**") of the Company's Board of Directors (the "**Board**") in accordance with Exchange Rules. The Company has not publicly disclosed or reported to the Board, and within the next 135 days the Company has no current reason to expect to publicly disclose or report to the Audit Committee or the Board, a "significant deficiency" or "material weakness" (each, as defined in Rule 12b-2 of the Exchange Act), a change in Internal Controls or fraud involving management or other employees who have a significant role in Internal Controls (each, an "**Internal Control Event**"), any violation of, or failure to comply with, the U.S. federal securities laws and the Exchange Rules, or any matter which, if determined adversely, would have a Material Adverse Effect.

(aa) *Absence of Accounting Issues.* Except as set forth in the Registration Statement, the General Disclosure Package and the Final Prospectus, the Board is not reviewing or investigating, and neither the Company's independent auditors nor its internal auditors have recommended that the Board review or investigate, (i) adding to, deleting, changing the application of, or changing the Company's disclosure with respect to, any of the Company's material accounting policies; (ii) any matter which could result in a restatement of the Company's financial statements for any annual or interim period during the current or prior three fiscal years; or (iii) any Internal Control Event.

(bb) *Litigation*. Except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, there are no pending actions, suits or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic or foreign) against or affecting the Company, any of its subsidiaries or any of their respective properties that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect, or would materially and adversely affect the ability of the Company to perform its obligations under this Agreement, or which are otherwise material in the context of the sale of the Offered Securities; and no such actions, suits or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic or foreign) are threatened or, to the Company's knowledge, contemplated.

(cc) *Financial Statements.* The financial statements included in each Registration Statement, the General Disclosure Package and the Final Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of Reynolds Consumer Group, which is comprised of the Reynolds Consumer Products segment of Reynolds Group Holdings Limited, as of the dates shown and their results of operations, stockholders' equity and cash flows for the periods shown, and such financial statements have been prepared in conformity with GAAP applied on a consistent basis; and the schedules included in each Registration Statement present fairly in all material respects the information required to be stated therein. The unaudited pro forma financial statements, together with the related notes and any supporting schedules included or incorporated by reference in each Registration Statement, the General Disclosure Package and the Final Prospectus have been prepared in accordance with the applicable requirements of the Act and the Exchange Act, as applicable, present fairly in all material respects the information shown therein and have been compiled on a basis substantially consistent with the financial statements included or incorporated by reference in each Registration Statement, the General Disclosure Package and the Final Prospectus; and such unaudited pro forma financial statements have been prepared, and the pro forma adjustments set forth therein have been applied, in accordance with the applicable accounting requirements and using assumptions that provide a reasonable basis for presenting the significant effects directly attributable to the transactions or events described in such unaudited pro forma financial statements, and such pro forma adjustments have been properly applied to the historical financial statement amounts in the compilation of such unaudited pro forma financial statements and give appropriate effect to those assumptions. All disclosures contained in each

Registration Statement, the General Disclosure Package and the Final Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission) comply with Regulation G of the Exchange Act and Item 10 of Regulation S-K of the Act, to the extent applicable.

(dd) *No Material Adverse Change in Business.* Except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, since the end of the period covered by the latest audited financial statements included in the Registration Statement, the General Disclosure Package and the Final Prospectus (i) there has been no change, nor any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries, taken as a whole, that is material and adverse, (ii) except as disclosed in or contemplated by the Registration Statement, the General Disclosure Package and the Final Prospectus, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock, (iii) except as disclosed in or contemplated by the General Disclosure Package and the Final Prospectus, there has been no material adverse change in the capital stock, short-term indebtedness, long-term indebtedness, net current assets or net assets of the Company or any of its subsidiaries, (iv) there has been no material transaction entered into and there is no material transaction that is probable of being entered into by the Company or any of its subsidiaries other than transactions in the ordinary course of business, (v) there has been no obligation, direct or contingent, that is material to the Company or any of its subsidiaries taken as a whole, incurred by the Company or any of its subsidiaries, except obligations incurred in the ordinary course of business and (vi) neither the Company nor any of its subsidiaries has sustained any material loss or material interference with any of their respective businesses from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority.

(ee) *Investment Company Act.* The Company is not and, after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the Registration Statement, the General Disclosure Package and the Final Prospectus, will not be required to register as an "investment company" as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**").

(ff) *Ratings.* No "nationally recognized statistical rating organization" as such term is defined in Section 3(a)(62) of the Exchange Act (i) has imposed (or has informed the Company or any of its subsidiaries that it is considering imposing) any condition (financial or otherwise) on it retaining any rating assigned to the Company or any of its subsidiaries or any securities of the Company or any of its subsidiaries or (ii) has indicated to the Company or any of its subsidiaries that it is considering any of the actions described in Section 7(c)(ii) hereof.

(gg) *Taxes*. Except where the failure to file or the failure to pay would not, individually or in the aggregate, have a Material Adverse Effect, the Company and each of its subsidiaries has filed all federal, state, local and foreign tax returns required to be filed through the date of this Agreement and have paid all taxes required to be paid thereon (except as currently being contested in good faith and for which reserves required by GAAP have been created in the financial statements of the Company), and no material tax deficiency has been, or could reasonably be expected to be, asserted against the Company or any of its subsidiaries.

(hh) *Insurance*. The Company and its subsidiaries are insured by insurers with appropriately rated claims paying abilities against such losses and risks and in such amounts as are prudent and customary for similarly sized companies in the businesses in which they are engaged; all material policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect and there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for; neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, except as set forth in or contemplated in the Registration Statement, the General Disclosure Package and the Final Prospectus; and the Company will obtain directors' and officers' insurance in such amounts as is customary for an initial public offering.

(ii) *No Unlawful Payments*. Neither the Company nor any of its subsidiaries or affiliates, nor any director, officer or employee, nor, to the knowledge of the Company or any of its subsidiaries, any agent or other

person acting on behalf of the Company or of any of its subsidiaries or affiliates, has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) taken or will take any action in furtherance of an offer, payment, promise to pay, or authorization or approval of the payment or giving of money, property, gifts or anything else of value, directly or indirectly, to any government official, including any officer or employee of a government or government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office ("**Governmental Official**") to influence official action or secure an improper advantage; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit, to any Governmental Official or other person or entity. The Company and its subsidiaries and affiliates have conducted their businesses in compliance with applicable anti-corruption laws and have instituted and maintain and will continue to maintain policies and procedures designed to promote and achieve compliance with all applicable anti-bribery and anti-corruption laws and with the representation and warranty contained herein.

(jj) *Compliance with Anti-Money Laundering Laws*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), and the applicable anti-money laundering statutes in the jurisdictions where the Company or any of its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental or regulatory agency (collectively, the "**Anti-Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company and its subsidiaries, threatened.

(kk) *Economic Sanctions.* Neither the Company nor any of its subsidiaries, nor any director, officer, or employee thereof, nor, to the knowledge of the Company or any of its subsidiaries, any agent, affiliate or representative of the Company or any of its subsidiaries, is an individual or entity ("**Person**") that is, or is owned or controlled by a Person that is: the subject or target of any U.S. sanctions administered or enforced by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union, Her Majesty's Treasury, the Swiss Secretariat of Economic Affairs, the Hong Kong Monetary Authority, the Monetary Authority of Singapore, or other relevant sanctions authority (collectively, "**Sanctions**"), nor is the Company or any of its subsidiaries located, organized or resident in a country or territory that is the subject or target of Sanctions including, without limitation, Cuba, Iran, North Korea, Syria and Crimea (each a "**Sanctioned Country**"); and the Company will not, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person: (i) to fund or facilitate any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject or target of any Sanctions; (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation of Sanctions by any Person (including any Person participating in the offering, whether as underwriter, advisor, investor or otherwise). For the past five years, the Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject or target of Sanctions.

(ll) *Other Offerings*. The Company has not sold, issued or distributed any Securities during the six-month period preceding the date hereof, including any sales pursuant to Rule 144A under, or Regulation D or Regulation S of, the Act, other than Securities issued pursuant to employee benefit plans, qualified stock option plans or other employee compensation plans or pursuant to outstanding options, rights or warrants.

(mm) *Accuracy of Exhibits*. There are no contracts or documents which are required to be described in the Registration Statement, the General Disclosure Package or the Final Prospectus or to be filed as exhibits to the Registration Statement which have not been so described and filed as required.

(nn) *Lending Relationship.* Except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, the Company and its subsidiaries (i) do not have any material lending or other relationship with any bank or lending affiliate of any Underwriter and (ii) do not intend to use any of the proceeds from the sale of the Securities to repay any outstanding debt owed to any affiliate of any Underwriter.

(oo) *Margin Rules*. The application of the proceeds received by the Company from the issuance, sale and delivery of the Offered Securities as described in the Registration Statement, the General Disclosure Package and the Final Prospectus will not violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(pp) *Independent Accountants*. PricewaterhouseCoopers LLP, who have certified certain financial statements of the Company and its subsidiaries, is an independent registered public accounting firm with respect to the Company and its subsidiaries within the meaning of the Securities Laws.

(qq) *Cybersecurity*. Except as disclosed in the Registration Statement, the General Disclosure Package and the Final Prospectus, (i) there has been no material security breach or incident, unauthorized access or disclosure, or other compromise of or relating to the information technology and computer systems, networks, hardware, software, data (including personal data) or databases (including the data and information of customers, employees, suppliers, vendors and any third-party data maintained, processed or stored by the Company and its subsidiaries, and any such data processed or stored by third parties on behalf of the Company and its subsidiaries), equipment or technology, in each case used or held for use in the business of the Company and its subsidiaries (each of the foregoing items, and all such items collectively, "**IT Systems and Data**"); (ii) the IT Systems and Data are sufficient for, and operate and perform as required by, the operation of the businesses of the Company and its subsidiaries as now conducted and as proposed in the Registration Statements and the General Disclosure Package to be conducted; (iii) the Company and its subsidiaries have implemented appropriate controls, policies, procedures, and technological safeguards to maintain and protect the integrity, continuous operation, redundancy and security of their IT Systems and Data reasonably consistent with industry standards and practices; (iv) except as would not, individually or in the aggregate, have a Material Adverse Effect, the Company and its subsidiaries have operated and currently operate their businesses in compliance, and maintain appropriate information security policies and procedures designed to ensure such compliance, with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification (collectively, "**Privacy and Security Obligations**"); and (v) the Company and its subsidiaries use commercially reasonable efforts to ensure that all third parties permitted to access any IT Systems and Data on their behalf, or to whom they have provided confidential data or any data that constitutes IT Systems and Data, maintain the confidentiality, privacy and security of such IT Systems and Data and comply with applicable Privacy and Security Obligations.

(rr) *Compliance with ERISA.* (i) Each employee benefit plan, within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), for which the Company or any member of its "Controlled Group" (defined as any entity, whether or not incorporated, that is under common control with the Company within the meaning of Section 4001(a)(14) of ERISA or any entity that would be regarded as a single employer with the Company under Section 414(b),(c),(m) or (o) of the Code) would have any liability (each, a "**Plan**") has been maintained in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Code, in all material respects; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan, excluding transactions effected pursuant to a statutory or administrative exemption; (iii) for each Plan that is subject to the funding rules of Section 302 of ERISA or Section 412 of the Code, no Plan has failed, or is reasonably expected to fail, to satisfy the minimum funding standards (within the meaning of Section 302 of ERISA or Section 412 of the Code) applicable to such Plan (whether or not waived); (iv) no Plan is, or is reasonably expected to be, in "at risk status" (within the meaning of Section 303(i) of ERISA); (v) no Plan is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA; (vi) each Plan that is intended to be qualified under Section 401(a) of the

Code is subject to a favorable determination letter or advisory opinion, as applicable, from the IRS and no event has occurred and no condition exists, whether by action or by failure to act, that, to the Company's best knowledge, is reasonably likely to result in the revocation of any such determination or opinion, as applicable; (vii) except as would not, individually or in the aggregate, have a Material Adverse Effect, the fair market value of the assets of each Plan exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan); and (viii) none of the following events has occurred or, to the Company's best knowledge, is reasonably likely to occur: (A) a "reportable event" (within the meaning of Section 4043(c) of ERISA); (B) a material increase in the aggregate amount of contributions required to be made to all Plans by the Company or its Controlled Group affiliates in the current fiscal year of the Company and its Controlled Group affiliates compared to the amount of such contributions made in the Company's and its Controlled Group affiliates' most recently completed fiscal year; or (C) a material increase in the Company and its subsidiaries' "accumulated post-retirement benefit obligations" (within the meaning of Accounting Standards Codification Topic 715-60) compared to the amount of such obligations in the Company and its subsidiaries' most recently completed fiscal year; except in each case with respect to the events or conditions set forth in (i) through (vii) hereof, as would not, individually or in the aggregate, have a Material Adverse Effect.

(ss) *Testing-the-Waters Communication.* The Company (i) has not alone engaged in any Testing-the-Waters Communication and (ii) has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Company reconfirms that the Representatives have been authorized to act on the Company's behalf in undertaking Testing-the-Waters Communication. The Company has not distributed any Written Testing-the-Waters Communication.

3. *Purchase, Sale and Delivery of Offered Securities*. On the basis of the representations, warranties and agreements and subject to the terms and conditions set forth herein, the Company agrees to sell to the several Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at a purchase price of $[•] per share, the number of Firm Securities set forth opposite the name of such Underwriter in Schedule A hereto.

The Company will deliver the Firm Securities to or as instructed by the Representatives for the accounts of the several Underwriters in a form reasonably acceptable to the Representatives, against payment of the purchase price by the Underwriters in Federal (same day) funds by wire transfer to the account specified on Schedule D hereto and drawn to order as specified on such Schedule D, at the office of Cravath, Swaine & Moore LLP, 825 Eighth Avenue, New York, NY, 10019, at [•] A.M., New York time, on [•], or at such other time not later than seven full business days thereafter as the Representatives and the Company determine, such time being herein referred to as the "**First Closing Date**". For purposes of Rule 15c6-1 under the Exchange Act, the First Closing Date (if later than the otherwise applicable settlement date) shall be the settlement date for payment of funds and delivery of securities for all the Offered Securities sold pursuant to the offering.

In addition, upon written notice from the Representatives given to the Company from time to time not more than 30 days subsequent to the date of the Final Prospectus, the Underwriters may purchase all or less than all of the Optional Securities at the purchase price per share to be paid for the Firm Securities. The Company agrees to sell to the Underwriters the number of shares of Optional Securities specified in such notice and the Underwriters agree, severally and not jointly, to purchase such Optional Securities. Such Optional Securities shall be purchased for the account of each Underwriter in the same proportion as the number of shares of Firm Securities set forth opposite such Underwriter's name bears to the total number of shares of Firm Securities (subject to adjustment by the Representatives to eliminate fractions) and may be purchased by the Underwriters only for the purpose of covering over-allotments made in connection with the sale of the Firm Securities. No Optional Securities shall be sold or delivered unless the Firm Securities previously have been, or simultaneously are, sold and delivered. The right to purchase the Optional Securities or any portion thereof may be exercised from time to time and to the extent not previously exercised may be surrendered and terminated at any time upon notice by the Representatives to the Company .

Each time for the delivery of and payment for the Optional Securities, being herein referred to as an "**Optional Closing Date**", which may be the First Closing Date (the First Closing Date and each Optional Closing Date, if any, being sometimes referred to as a "**Closing Date**"), shall be determined by the Representatives but shall be not later than five full business days after written notice of election to purchase Optional Securities is given. The

Company will deliver the Optional Securities being purchased on each Optional Closing Date to or as instructed by the Representatives for the accounts of the several Underwriters, in a form reasonably acceptable to the Representatives against payment of the purchase price therefore in Federal (same day) funds by wire transfer to an account at a bank acceptable to the Representatives drawn to the order of the Company, at the above office of Cravath, Swaine & Moore LLP.

4. *Offering by Underwriters*. It is understood that the several Underwriters propose to offer the Offered Securities for sale to the public as set forth in the Final Prospectus.

5. *Certain Agreements of the Company*. The Company agrees with the several Underwriters that:

(a) *Additional Filings.* Unless filed pursuant to Rule 462(c) as part of the Additional Registration Statement in accordance with the next sentence, the Company will file the Final Prospectus, in a form approved by the Representatives, with the Commission pursuant to and in accordance with subparagraph (1) (or, if applicable and if consented to by the Representatives, which consent shall not be unreasonably withheld, conditioned or delayed, subparagraph (4)) of Rule 424(b) not later than the earlier of (A) the second business day following the execution and delivery of this Agreement or (B) the fifteenth business day after the Effective Time of the Initial Registration Statement. The Company will advise the Representatives promptly of any such filing pursuant to Rule 424(b) and provide satisfactory evidence to the Representatives of such timely filing. If an Additional Registration Statement is necessary to register a portion of the Offered Securities under the Act but the Effective Time thereof has not occurred as of the execution and delivery of this Agreement, the Company will file the Additional Registration Statement or, if filed, will file a post-effective amendment thereto with the Commission pursuant to and in accordance with Rule 462(b) on or prior to 10:00 P.M., New York time, on the date of this Agreement or, if earlier, on or prior to the time the Final Prospectus is finalized and distributed to any Underwriter, or will make such filing at such later date as shall have been consented to by the Representatives.

(b) *Filing of Amendments: Response to Commission Requests.* The Company will promptly advise the Representatives of any proposal to amend or supplement at any time the Initial Registration Statement, any Additional Registration Statement or any Statutory Prospectus and will not effect such amendment or supplementation without the Representatives' consent, which consent shall not be unreasonably withheld, conditioned or delayed; and the Company will also advise the Representatives promptly of (i) the effectiveness of any Additional Registration Statement (if its Effective Time is subsequent to the execution and delivery of this Agreement), (ii) any amendment or supplementation of a Registration Statement or any Statutory Prospectus, (iii) any request by the Commission or its staff for any amendment to any Registration Statement, for any supplement to any Statutory Prospectus or for any additional information, (iv) the institution by the Commission of any stop order proceedings in respect of a Registration Statement or the threatening of any proceeding for that purpose, and (v) the receipt by the Company of any notification with respect to the suspension of the qualification of the Offered Securities in any jurisdiction or the institution or threatening of any proceedings for such purpose or pursuant to Section 8A under the Act. The Company will use its best efforts to prevent the issuance of any such stop order or the suspension of any such qualification and, if issued, to obtain as soon as possible the withdrawal thereof.

(c) *Continued Compliance with Securities Laws.* If, at any time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or dealer, any event occurs as a result of which the Final Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend the Registration Statement or supplement the Final Prospectus to comply with the Act, the Company will promptly notify the Representatives of such event and will promptly prepare and file with the Commission and furnish, at its own expense, to the Underwriters and the dealers and any other dealers upon request of the Representatives, an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. Neither the Representatives' consent to, nor the Underwriters' delivery of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 7 hereof.

(d) *Rule 158.* As soon as practicable, but not later than the Availability Date (as defined below), the Company will make generally available to its security holders an earnings statement covering a period of at least 12 months beginning after the Effective Time of the Initial Registration Statement (or, if later, the Effective Time of

the Additional Registration Statement) which will satisfy the provisions of Section 11(a) of the Act and Rule 158 under the Act. For the purpose of the preceding sentence, "**Availability Date**" means the day after the end of the fourth fiscal quarter following the fiscal quarter that includes such Effective Time on which the Company is required to file its Form 10-Q for such fiscal quarter except that, if such fourth fiscal quarter is the last quarter of the Company's fiscal year, "Availability Date" means the day after the end of such fourth fiscal quarter on which the Company is required to file its Form 10-K.

(e) *Furnishing of Prospectuses.* The Company will furnish to the Representatives copies of each Registration Statement (four of which will be signed and will include all exhibits), each related Statutory Prospectus, and, so long as a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act, the Final Prospectus and all amendments and supplements to such documents, in each case in such quantities as the Representatives request. The Final Prospectus shall be so furnished on or prior to 3:00 P.M., New York time, on the second business day following the execution and delivery of this Agreement. All other such documents shall be so furnished as soon as available. The Company will pay the expenses of printing and distributing to the Underwriters all such documents.

(f) *Blue Sky Qualifications.* The Company will arrange for the qualification of the Offered Securities for sale under the laws of such jurisdictions as the Representatives designate and will continue such qualifications in effect so long as required for the distribution; provided, however, that the Company shall not be required to qualify or register as a foreign corporation in any jurisdiction in which it is not so qualified, file a general consent to service of process in any such jurisdiction or take any action that would subject it to taxation in any such jurisdiction where it is not then so subject.

(g) *Reporting Requirements.* During the period of five years hereafter, the Company will furnish to the Representatives and, upon request, to each of the other Underwriters, as soon as practicable after the end of each fiscal year, a copy of its annual report to stockholders for such year; and the Company will furnish to the Representatives (i) as soon as available, a copy of each report and any definitive proxy statement of the Company filed with the Commission under the Exchange Act or mailed to stockholders, and (ii) from time to time, such other information concerning the Company as the Representatives may reasonably request. However, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act and is timely filing reports with the Commission on its Electronic Data Gathering, Analysis and Retrieval system (or any successor system), it is not required to furnish such reports or statements to the Underwriters.

(h) *Payment of Expenses.* Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company agrees with the several Underwriters that the Company will pay all expenses incident to the performance of the obligations of the Company under this Agreement, including but not limited to any filing fees and other documented expenses (including reasonable fees and disbursements of counsel to the Underwriters) incurred in connection with qualification of the Offered Securities for sale under the laws of such jurisdictions as the Representatives designate and the preparation and printing of memoranda relating thereto, the fees and expenses of the Company's counsel and independent accountants, the costs and charges of any transfer agent and any registrar, reasonable and documented costs and expenses related to the review by FINRA of the Offered Securities (including filing fees and the reasonable and documented fees and expenses of counsel for the Underwriters relating to such review) in an amount not to exceed $50,000, reasonable and documented costs and expenses relating to investor presentations or any "road show" (as defined in Section 8(a) below) in connection with the offering and sale of the Offered Securities including, without limitation, any travel expenses of the Company's officers and employees and any other expenses of the Company including the cost of transportation in connection with the road show; provided, however that 50% of the cost of any aircraft not owned or leased by the Company or any affiliate of the Company that is chartered in connection with the roadshow shall be the responsibility of the Underwriters (it being understood that the other 50% shall be the responsibility of the Company), fees and expenses incident to listing the Offered Securities on the New York Stock Exchange, American Stock Exchange, The Nasdaq Stock Market LLC and other national and foreign exchanges, fees and expenses in connection with the registration of the Offered Securities under the Exchange Act, any transfer taxes payable in connection with the delivery of the Offered Securities to the Underwriters and expenses incurred in distributing preliminary prospectuses and the Final Prospectus (including any amendments and supplements thereto) to the Underwriters and for expenses incurred for preparing, printing and distributing any Issuer Free Writing Prospectuses to investors or prospective investors. In addition to the foregoing, the Company will also pay the fees and expenses of the QIU (as defined in Section 10 below). It is understood,

however, that except as otherwise provided in this Section 5(h) and Section 8 hereof, the Underwriters shall be responsible for their own costs and expenses, including the fees of their counsel.

(i) *Use of Proceeds.* The Company will use the net proceeds received by it in connection with this offering in the manner described in the "Use of Proceeds" section of the General Disclosure Package and, except as disclosed in the General Disclosure Package and the Final Prospectus, the Company does not intend to use any of the proceeds from the sale of the Offered Securities hereunder to repay any outstanding debt owed to any Underwriter or affiliate of any Underwriter.

(j) *Absence of Manipulation.* Neither the Company nor any affiliate of the Company will take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, stabilization or manipulation of the price of any securities of the Company to facilitate the sale or resale of the Offered Securities.

(k) (A) *Restriction on Sale of Securities by Company.* For the period specified below (the "**Lock-Up Period**"), the Company will not, directly or indirectly, take any of the following actions with respect to its Securities or any securities convertible into or exchangeable or exercisable for any of its Securities ("**Lock-Up Securities**"): (i) offer, sell, issue, contract to sell, pledge or otherwise dispose of Lock-Up Securities, (ii) offer, sell, issue, contract to sell, contract to purchase or grant any option, right or warrant to purchase Lock-Up Securities, (iii) enter into any swap, hedge or any other agreement that transfers, in whole or in part, the economic consequences of ownership of Lock-Up Securities, (iv) establish or increase a put equivalent position or liquidate or decrease a call equivalent position in Lock-Up Securities within the meaning of Section 16 of the Exchange Act or (v) submit or file with the Commission a registration statement under the Act relating to Lock-Up Securities, or publicly disclose the intention to take any of the foregoing actions, in each case without the prior written consent of the Representatives, except that the Company may:

(1) grant stock options, restricted shares of common stock or other equity grants to employees or eligible consultants, in each case pursuant to the terms of the Company's equity incentive plans existing as of the First Closing Date and disclosed in the General Disclosure Package and Final Prospectus;

(2) issue Lock-Up Securities pursuant to the exercise of such options or equity grants, or the exercise (including net exercise) of warrants to purchase Securities or the conversion of other convertible securities outstanding on the First Closing Date and described in the General Disclosure Package and the Final Prospectus;

(3) issue Lock-Up Securities upon the exercise of any other employee or consultant stock options outstanding on the First Closing Date and described in the General Disclosure Package and Final Prospectus;

(4) sell Lock-Up Securities pursuant to this Agreement;

(5) file one or more registration statements on Form S-8 relating to the Lock-Up Securities granted pursuant to the Company's equity incentive plans existing as of the First Closing Date and disclosed in the General Disclosure Package and the Final Prospectus; and

(6) issue Lock-Up Securities or any securities convertible into, or exercisable, or exchangeable for, Lock-Up Securities in connection with any acquisition or strategic investment (including any joint venture, strategic alliance or partnership);

provided that in the case of clause (6) above such issuances, sales or deliveries shall not be greater than 5% of the total outstanding shares of common stock of the Company immediately following the completion of this offering of Offered Securities and, in the cases of clauses (2), (3), and (6) above, the recipients of such Lock-Up Securities agree to be bound by a lockup letter in the form executed by the officers of the Company pursuant to Section 7(g) hereof.

The Lock-Up Period will commence on the date hereof and continue for 180 days after the date hereof or such earlier date that the Representatives consent to in writing.

(B) *Agreement to Announce Lock-up Waiver.* If the Representatives, in their sole discretion, agree to release or waive the restrictions set forth in a lock-up letter described in Section 7(g) hereof for an officer or director of the Company and provide the Company with notice of the impending release or waiver at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit B hereto through a major news service or through other means permitted by FINRA at least two business days before the effective date of the release or waiver.

(l) *Testing-the-Waters Communication*. If at any time following the distribution of any Written Testing-the-Waters Communication there occurred an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such statement or omission.

6. *Free Writing Prospectuses*. The Company represents and agrees that, unless it obtains the prior consent of the Representatives, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Offered Securities that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a "free writing prospectus," as defined in Rule 405, required to be filed with the Commission. Any such free writing prospectus consented to by the Company and the Representatives is hereinafter referred to as a "**Permitted Free Writing Prospectus**." The Company represents that it has treated and agrees that it will treat each Permitted Free Writing Prospectus as an "issuer free writing prospectus," as defined in Rule 433, and has complied and will comply with the requirements of Rules 164 and 433 applicable to any Permitted Free Writing Prospectus, including timely Commission filing where required, legending and record keeping. The Company represents that it has satisfied and agrees that it will satisfy the conditions in Rule 433 to avoid a requirement to file with the Commission any electronic road show.

7. *Conditions of the Obligations of the Underwriters*. The obligations of the several Underwriters to purchase and pay for the Firm Securities on the First Closing Date and the Optional Securities to be purchased on each Optional Closing Date will be subject to the accuracy of the representations and warranties of the Company herein (as though made on such Closing Date), to the accuracy of the statements of Company officers made pursuant to the provisions hereof, to the performance by the Company of its obligations hereunder and to the following additional conditions precedent:

(a) *Accountants' Comfort Letter.* The Representatives shall have received letters, dated, respectively, the date hereof and each Closing Date, of PricewaterhouseCoopers LLP confirming that they are a registered public accounting firm and independent public accountants within the meaning of the Securities Laws and in the form and substance satisfactory to the Representatives (except that, in any letter dated a Closing Date, the specified date referred to in the comfort letters shall be a date no more than three days prior to such Closing Date).

(b) *Effectiveness of Registration Statement.* If the Effective Time of the Additional Registration Statement (if any) is not prior to the execution and delivery of this Agreement, such Effective Time shall have occurred not later than 10:00 P.M., New York time, on the date of this Agreement or, if earlier, the time the Final Prospectus is finalized and distributed to any Underwriter, or shall have occurred at such later time as shall have been consented to by the Representatives. The Final Prospectus shall have been filed with the Commission in accordance with the Rules and Regulations and Section 5(a) hereof. Prior to such Closing Date, no stop order suspending the effectiveness of a Registration Statement shall have been issued and no proceedings for that purpose or pursuant to Section 8A under the Act shall have been instituted or, to the knowledge of the Company or the Representatives, shall be contemplated by the Commission.

(c) *No Material Adverse Change.* Subsequent to the execution and delivery of this Agreement, there shall not have occurred (i) any change, or any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries, taken as a whole, which, in the judgment of the Representatives, is material and adverse and makes it impractical or inadvisable to market the Offered Securities; (ii) any downgrading in the rating of any debt securities,

convertible securities or preferred securities issued or guaranteed by the Company or any of its subsidiaries by any "nationally recognized statistical rating organization" (as defined in Section 3(a)(62) of the Exchange Act), or any public announcement that any such organization has under surveillance or review its rating of any such securities of the Company or any of its subsidiaries (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating); (iii) any change in U.S. or international financial, political or economic conditions or currency exchange rates or exchange controls the effect of which is such as to make it, in the judgment of the Representatives, impractical to market or to enforce contracts for the sale of the Offered Securities, whether in the primary market or in respect of dealings in the secondary market; (iv) any suspension or material limitation of trading in securities generally on the New York Stock Exchange or the Nasdaq Stock Market, or any setting of minimum or maximum prices for trading on such exchange; (v) any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market; (vi) any banking moratorium declared by any U.S. federal or New York authorities; (vii) any major disruption of settlements of securities, payment or clearance services in the United States or any other country where such securities are listed; or (viii) any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity or emergency if, in the judgment of the Representatives, the effect of any such attack, outbreak, escalation, act, declaration, calamity or emergency is such as to make it impractical or inadvisable to market the Offered Securities or to enforce contracts for the sale of the Offered Securities.

(d) *Opinion and 10b-5 Statement of Counsel for the Company.* The Representatives shall have received an opinion and 10b-5 statement, dated such Closing Date, of Davis Polk & Wardwell LLP, counsel for the Company, in the form attached hereto as Exhibit A.

(e) *Opinion and 10b-5 Statement of Counsel for Underwriters.* The Representatives shall have received from Cravath, Swaine & Moore LLP, counsel for the Underwriters, such opinion or opinions and 10b-5 statement, dated such Closing Date, with respect to such matters as the Representatives may require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(f) *Officers' Certificate.* The Representatives shall have received a certificate, dated such Closing Date, of an executive officer of the Company and a principal financial or accounting officer of the Company in which such officers shall state that: the representations and warranties of the Company in this Agreement are true and correct; the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to such Closing Date; no stop order suspending the effectiveness of any Registration Statement has been issued and no proceedings for that purpose have been instituted or, to the best of their knowledge and after reasonable investigation, are contemplated by the Commission; the Additional Registration Statement (if any) satisfying the requirements of subparagraphs (1) and (3) of Rule 462(b) was timely filed pursuant to Rule 462(b), including payment of the applicable filing fee in accordance with Rule 456(a) or (b); and, subsequent to the date of the most recent financial statements in the General Disclosure Package and the Final Prospectus, there has been no material adverse change, nor any development or event involving a prospective material adverse change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole except as set forth in the General Disclosure Package and the Final Prospectus or as described in such certificate.

(g) *Lock-Up Agreements.* On or prior to the date hereof, the Representatives shall have received lockup agreements in the form set forth on Exhibit C hereto from each executive officer, director, stockholder and other equity holder of the Company specified in Schedule C to this Agreement.

(h) *FinCEN Certificate.* On or before the date of this Agreement, the Representatives shall have received a certificate satisfying the beneficial ownership due diligence requirements of the Financial Crimes Enforcement Network ("**FinCEN**") from the Company in form and substance reasonably satisfactory to the Representatives, along with such additional supporting documentation as the Representatives have requested in connection with the verification of the foregoing certificate.

(i) *CFO Certificate*. On the date hereof and each Closing Date, as the case may be, the Company shall have furnished to the Representatives a certificate, dated the respective dates of delivery thereof and addressed to the Representatives, of a principal financial or accounting officer of the Company with respect to certain financial

data contained in the General Disclosure Package and the Registration Statements, providing "management comfort" with respect to such information, in form and substance reasonably satisfactory to the Representatives.

(j) *Good Standing*. The Representatives shall have received on and as of such Closing Date satisfactory evidence of the good standing of the Company and its subsidiaries in their respective jurisdictions of organization and their good standing in such other jurisdictions as the Representatives may reasonably request, in each case in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(k) *Corporate Reorganization*. The Corporate Reorganization, as described in the Initial Registration Statement under the caption "Prospectus Summary–Our Corporate Information", shall have been consummated prior to or on the First Closing Date (but, in any event, prior to purchase by the Underwriters of the Firm Securities on the First Closing Date).

(l) *No Legal Impediment to Issuance and Sale*. No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of such Closing Date, prevent the issuance or sale of the Offered Securities; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of such Closing Date, prevent the sale of the Offered Securities.

The Company will furnish the Representatives with such conformed copies of such opinions, certificates, letters and documents as the Representatives reasonably requests. The Representatives may in their sole discretion waive on behalf of the Underwriters compliance with any conditions to the obligations of the Underwriters hereunder, whether in respect of an Optional Closing Date or otherwise.

8. *Indemnification and Contribution*. (a) *Indemnification of Underwriters by Company.* The Company will indemnify and hold harmless each Underwriter, its partners, members, directors, officers, employees, agents, affiliates and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act (each an "**Indemnified Party**"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon (i) any untrue statement or alleged untrue statement of any material fact contained in any part of any Registration Statement at any time or the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading or (ii) any untrue statement or alleged untrue statement of any material fact contained in any Statutory Prospectus as of any time, the Final Prospectus, any Issuer Free Writing Prospectus, any other materials or information in the General Disclosure Package, any road show as defined in Rule 433(h) under the Securities Act (a "**road show**") or any Written Testing-the-Waters Communication or the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, and will reimburse each Indemnified Party for any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending against any loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Indemnified Party is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to any of the above as such expenses are incurred; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in subsection (b) below.

(b) *Indemnification of Company.* Each Underwriter will severally and not jointly indemnify and hold harmless the Company, each of its directors and each of its officers who signs a Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act (each, an "**Underwriter Indemnified Party**") against any losses, claims, damages or liabilities to which such Underwriter Indemnified Party may become subject, under the Act, the Exchange Act, or other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect

thereof) arise out of or are based upon (i) any untrue statement or alleged untrue statement of any material fact contained in any part of any Registration Statement at any time or the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading or (ii) any untrue statement or alleged untrue statement of any material fact contained in any Statutory Prospectus as of any time, the Final Prospectus, any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication or the omission or the alleged omission of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by such Underwriter Indemnified Party in connection with investigating or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Underwriter Indemnified Party is a party thereto), whether threatened or commenced, based upon any such untrue statement or omission, or any such alleged untrue statement or omission as such expenses are incurred, it being understood and agreed that the only such information furnished by any Underwriter consists of the following information in the Final Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the fifth paragraph under the caption “Underwriting” and the information contained in the thirteenth and fourteenth paragraphs under the caption “Underwriting”.

(c) *Actions against Parties; Notification.* Promptly after receipt by an indemnified party under this Section or Section 10 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party under subsection (a) or (b) above or Section 10, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve it from any liability that it may have under subsection (a) or (b) above or Section 10 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a) or (b) above or Section 10. In case any such action is brought against any indemnified party and it notifies an indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section or Section 10, as the case may be, for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof, other than reasonable costs of investigation, unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the contrary; (ii) the indemnifying party has failed within a reasonable time to retain counsel reasonably satisfactory to the indemnified party; (iii) the indemnified party shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the indemnifying party; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party.

(d) *Contribution.* If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the

Company on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Underwriters. Benefits received by the QIU shall be deemed to be equal to the compensation received by the QIU for acting in such capacity. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), (i) no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission and (ii) the QIU, in its capacity as such, shall not be responsible for any amount in excess of the compensation received by the QIU for acting in such capacity. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (d) to contribute are several in proportion to their respective underwriting obligations and not joint. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 8(d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 8(d).

9. *Default of Underwriters*. If any Underwriter or Underwriters default in their obligations to purchase Offered Securities hereunder on either the First Closing Date or any Optional Closing Date and the aggregate number of shares of Offered Securities that such defaulting Underwriter or Underwriters agreed but failed to purchase does not exceed 10% of the total number of shares of Offered Securities that the Underwriters are obligated to purchase on such Closing Date, the Representatives may make arrangements satisfactory to the Company for the purchase of such Offered Securities by other persons, including any of the Underwriters, but if no such arrangements are made by such Closing Date, the non-defaulting Underwriters shall be obligated severally, in proportion to their respective commitments hereunder, to purchase the Offered Securities that such defaulting Underwriters agreed but failed to purchase on such Closing Date. If any Underwriter or Underwriters so default and the aggregate number of shares of Offered Securities with respect to which such default or defaults occur exceeds 10% of the total number of shares of Offered Securities that the Underwriters are obligated to purchase on such Closing Date and arrangements satisfactory to the Representatives and the Company for the purchase of such Offered Securities by other persons are not made within 36 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Underwriter or the Company, except as provided in Section 11 (provided that if such default occurs with respect to Optional Securities after the First Closing Date, this Agreement will not terminate as to the Firm Securities or any Optional Securities purchased prior to such termination). As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein will relieve a defaulting Underwriter from liability for its default.

10. *Qualified Independent Underwriter*. The Company hereby confirms that at its request Credit Suisse Securities (USA) LLC has without compensation acted as "**qualified independent underwriter**" (in such capacity, the "**QIU**") within the meaning of Rule 5121 of FINRA in connection with the offering of the Offered Securities. Without limitation of, and in addition to, its obligations under Section 8(a) herein, the Company will indemnify and hold harmless the QIU, its directors, officers, employees and agents and each person, if any, who controls the QIU within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which the QIU may become subject, under the Act, the Exchange Act, other federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon the QIU's acting (or alleged failing to act) as such "qualified independent underwriter" (within the meaning of Rule 5121 of FINRA) in connection with the offering of Securities as contemplated by this Agreement, and will reimburse the QIU for any legal or other expenses reasonably incurred by the QIU in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability results from the gross negligence or willful misconduct of the QIU.

11. *Termination*. The Underwriters may terminate this Agreement by notice given by the Representatives to the Company if, after the execution and delivery of this Agreement and prior to the Closing Date, (i) trading generally shall have been suspended or materially limited on, or by, as the case may be, any of the New York Stock Exchange or The Nasdaq Global Market, (ii) trading of any securities issued or guaranteed by the Company shall have been suspended on any exchange or in any over-the-counter market, (iii) a material disruption in securities settlement, payment or clearance services in the United States shall have occurred, (iv) a general moratorium on commercial banking activities shall have been declared by Federal or New York State authorities or (v) there shall have occurred any outbreak or escalation of hostilities, or any change in financial markets or any calamity or crisis that, in the judgment of the Representatives, is material and adverse and which, singly or together with any other event specified in this clause (v), makes it, in the reasonable judgement of the Representatives, impracticable or inadvisable to proceed with the offer, sale or delivery of the Securities on the terms and in the manner contemplated in the Registration Statement, the General Disclosure Package or the Final Prospectus.

12. *Survival of Certain Representations and Obligations*. The respective indemnities, agreements, representations, warranties and other statements of the Company or its officers and of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter, the Company or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Offered Securities. If the purchase of the Offered Securities by the Underwriters is not consummated for any reason other than any of the events specified in clauses (iii), (iv), (vi), (vii) or (viii) of Section 7(c) or because of the termination of this Agreement pursuant to Section 11 (i), (iii), (iv) or (v) hereof, the Company will reimburse the Underwriters for all out-of-pocket expenses (including reasonable fees and disbursements of counsel) reasonably incurred by them in connection with the offering of the Offered Securities, and the respective obligations of the Company and the Underwriters pursuant to Section 8 hereof and the obligations of the Company pursuant to Section 10 hereof shall remain in effect. In addition, if any Offered Securities have been purchased hereunder, the representations and warranties in Section 2 and all obligations under Section 5 shall also remain in effect.

13. *Notices*. All communications hereunder will be in writing and, if sent to the Underwriters, will be mailed, delivered or telegraphed and confirmed to the Representatives, c/o Credit Suisse Securities (USA) LLC, Eleven Madison Avenue, New York, N.Y. 10010-3629, Facsimile: (212) 325-4296, Attention: IBCM-Legal; Goldman Sachs & Co. LLC, 200 West Street, New York, New York 10282, Attention: Registration Department; and J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179, Facsimile: (212) 622-8358); Attention: Equity Syndicate Desk; or, if sent to the Company, will be mailed, delivered or telegraphed and confirmed to it at Reynolds Consumer Products Inc.; 1900 W. Field Court; Lake Forest, IL 60045; Attention: David Watson, with a copy to Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017; Attention: Byron B. Rooney; provided, however, that any notice to an Underwriter pursuant to Section 8 will be mailed, delivered or telegraphed and confirmed to such Underwriter.

14. *Successors*. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and controlling persons referred to in Section 8, and no other person will have any right or obligation hereunder.

15. *Representation of Underwriters*. The Representatives will act for the several Underwriters in connection with the transactions contemplated by this Agreement, and any action under this Agreement taken by the Representatives jointly will be binding upon all the Underwriters.

16. *Counterparts*. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

17. *Absence of Fiduciary Relationship.* The Company acknowledges and agrees that:

(a) *No Other Relationship.* The Representatives have been retained solely to act as underwriters in connection with the sale of the Offered Securities and that no fiduciary, advisory or agency relationship between the Company, on the one hand, and the Representatives, on the other, has been created in respect of any of the transactions contemplated by this Agreement or the Final Prospectus, irrespective of whether the Representatives have advised or are advising the Company on other matters;

(b) *Arms' Length Negotiations.* The price of the Offered Securities set forth in this Agreement was established by Company following discussions and arms-length negotiations with the Representatives and the Company is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated by this Agreement;

(c) *Absence of Obligation to Disclose.* The Company has been advised that the Representatives and their affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and that the Representatives have no obligation to disclose such interests and transactions to the Company by virtue of any fiduciary, advisory or agency relationship; and

(d) *Waiver.* The Company waives, to the fullest extent permitted by law, any claims it may have against the Representatives for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that the Representatives shall have no liability (whether direct or indirect) to the Company in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including stockholders, employees or creditors of the Company.

18. ***Applicable Law*. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.**

The Company hereby submits to the non-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The Company irrevocably and unconditionally waives any objection to the laying of venue of any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in Federal and state courts in the Borough of Manhattan in the City of New York and irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such suit or proceeding in any such court has been brought in an inconvenient forum.

19. *Compliance with USA Patriot Act*. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

20. *Waiver of Jury Trial*. The Company hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

21. *Recognition of the U.S. Special Resolution Regimes*.

(a) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(b) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Section 21:

"**BHC Act Affiliate**" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"**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).

"**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.

"**U.S. Special Resolution Regime**" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing is in accordance with the Representatives' understanding of our agreement, kindly sign and return to the Company one of the counterparts hereof, whereupon it will become a binding agreement among the Company and the several Underwriters in accordance with its terms.

Very truly yours,

REYNOLDS CONSUMER PRODUCTS INC.

By: _____
Name:
Title:

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

Acting on behalf of themselves and as the Representatives of the several Underwriters.

CREDIT SUISSE SECURITIES (USA) LLC

By: _____
Name:
Title:

GOLDMAN SACHS & CO. LLC

By: _____
Name:
Title:

J.P. MORGAN SECURITIES LLC

By: _____
Name:
Title:

SCHEDULE A

Underwriter	Total Number of Firm Securities to be Purchased
Credit Suisse Securities (USA) LLC	[•]
J.P. Morgan Securities LLC	[•]
Goldman Sachs & Co. LLC	[•]
Barclays Capital Inc.	[•]
Citigroup Global Markets Inc.	[•]
Evercore Group L.L.C.	[•]
RBC Capital Markets, LLC	[•]
HSBC Securities (USA) Inc	[•]
Stifel, Nicolaus & Company, Incorporated	[•]
SunTrust Robinson Humphrey, Inc.	[•]
Academy Securities, Inc.	[•]
Total	

SCHEDULE B

1. General Use Free Writing Prospectuses (included in the General Disclosure Package)

"General Use Issuer Free Writing Prospectus" includes each of the following documents:

1. [•]

2. Other Information Included in the General Disclosure Package

The following information is also included in the General Disclosure Package:

[1. The initial price to the public of the Offered Securities.

2. [•]]

SCHEDULE C

Lock-Up Agreements

Packaging Finance Limited
Lance Mitchell
Michael Graham
Francis Arsenault
Rachel Bishop
Judith Buckner
Stephan Pace
Craig Cappel
Gregory Cole
Thomas Degnan
Helen Golding
Marla Gottschalk
Richard Noll

SCHEDULE D

The Company irrevocably authorizes and directs the Underwriters to direct the payment of the purchase price for the Firm Securities on the First Closing Date to Goldman Sachs Bank USA pursuant to the wire instructions set forth below. The Company acknowledges and agrees that the Underwriters' payment pursuant to the first sentence of this paragraph shall constitute delivery of such funds at the Company's direction and for the Company's benefit as if such funds had been directly delivered to the Company and shall be in full satisfaction of the Underwriters' obligations for payment of the purchase price for the Firm Securities pursuant to this Underwriting Agreement.

Wire Instructions

[Reserved]

Exhibit A

Form of Opinion of Counsel to the Company

[•], 2020

Credit Suisse Securities (USA) LLC
Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC
as Representatives of the several Underwriters named in
Schedule A to the Underwriting Agreement referred to below (the "Representatives")

c/o Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, New York 10010-3629

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Ladies and Gentlemen:

We have acted as special counsel for Reynolds Consumer Products Inc., a Delaware corporation (the "Company"), in connection with the Underwriting Agreement dated [•] (the "Underwriting Agreement") among the Company, you and the other several underwriters named in Schedule A thereto (the "Underwriters"), under which you and such other Underwriters have severally agreed to purchase from the Company an aggregate of [•] shares (the "Shares") of its common stock, par value $0.001 per share. [The Shares include [•] shares of common stock of the Company to be purchased pursuant to the over-allotment option provided for by the Underwriting Agreement.]

We have examined originals or copies of such documents, corporate records, certificates of public officials and other instruments as we have deemed necessary or advisable for the purpose of rendering this opinion.

We have also participated in the preparation of the Company's registration statement on Form S-1 (File No. 333-234731) and Amendments Nos. [•] thereto filed with the Securities and Exchange Commission (the "Commission") pursuant to the provisions of the Securities Act of 1933, as amended (the "Act"), relating to the Shares. In addition, we have been advised by the staff of the Commission that the registration statement, as so amended, was declared effective under the Act on [•]. To our knowledge, no stop order suspending the effectiveness of the registration statement has been issued. The registration statement on Form S-1, as amended at the time it was declared effective, including the information deemed to be a part thereof at the time of effectiveness pursuant to Rule 430A under the Act, is hereinafter referred to as the "Registration

Statement"; and the related prospectus in the form first used to confirm sales of the Shares (or in the form first made available to the Underwriters by the Company to meet requests of purchasers pursuant to Rule 173 under the Act) is hereinafter referred to as the "Prospectus."

In rendering the opinions expressed herein, we have, without independent inquiry or investigation, assumed that (i) all documents submitted to us as originals are authentic and complete, (ii) all documents submitted to us as copies conform to authentic, complete originals, (iii) all documents filed with or submitted to the Commission through its Electronic Data Gathering, Analysis and Retrieval ("EDGAR") system (except for required EDGAR formatting changes) conform to the versions of such documents reviewed by us prior to such formatting, (iv) all signatures on all documents that we reviewed are genuine, (v) all natural persons executing documents had and have the legal capacity to do so, (vi) all statements in certificates of public officials and officers of the Company that we reviewed were and are accurate and (vii) all representations made by the Company as to matters of fact in the documents that we reviewed were and are accurate.

Based upon the foregoing, and subject to the additional assumptions and qualifications set forth below, we are of the opinion that:

1. The Company is validly existing as a corporation in good standing under the laws of the State of Delaware, and the Company has all requisite corporate power and authority to issue the Shares, to enter into the Underwriting Agreement and to perform its obligations thereunder.

2. The Underwriting Agreement has been duly authorized, executed and delivered by the Company.

3. The Shares have been duly authorized and, when issued and delivered to and paid for by the Underwriters pursuant to the Underwriting Agreement, will be validly issued, fully paid and non-assessable, and the issuance of such Shares is not subject to any preemptive or, to our knowledge, other similar rights.

4. The Company is not, and after giving effect to the offering and sale of the Shares and the application of the proceeds thereof as described in the Prospectus will not be, required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

5. The Company's authorized equity capitalization is as set forth in the Prospectus.

6. The execution and delivery by the Company of, and the performance by the Company of its obligations under, the Underwriting Agreement will not contravene (i) any provision of the statutory laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Underwriting Agreement, or the General Corporation Law of the State of Delaware provided that we express no opinion as to federal or state securities laws, (ii) the certificate of incorporation or by-laws of the Company, or (iii) any agreement that is specified in Annex A hereto; provided that we express no opinion in clause (iii) as to compliance with any financial or accounting test, or

any limitation or restriction expressed as a dollar (or other currency) amount, ratio or percentage in any of the agreements specified in Annex A.

7. No consent, approval, authorization, or order of, or qualification with, any governmental body or agency under the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Underwriting Agreement, or the General Corporation Law of the State of Delaware is required for the execution, delivery and performance by the Company of its obligations under the Underwriting Agreement, except such as may be required under federal or state securities or Blue Sky laws as to which we express no opinion.

We have considered the statements included in the Prospectus under the caption “Description of Capital Stock” insofar as they summarize provisions of the certificate of incorporation and by-laws of the Company. In our opinion, such statements fairly summarize these provisions in all material respects. The statements included in the Prospectus under the caption “Material U.S. Federal Tax Considerations for Non-U.S. Holders of Common Stock,” insofar as they purport to describe provisions of U.S. federal income tax laws or legal conclusions with respect thereto, in our opinion fairly and accurately summarize the matters referred to therein in all material respects.

We are members of the Bar of the State of New York, and the foregoing opinion is limited to the laws of the State of New York, and the federal laws of the United States of America and the General Corporation Law of the State of Delaware, except that we express no opinion as to any law, rule or regulation that is applicable to the Company, the Underwriting Agreement, the Shares or such transactions solely because such law, rule or regulation is part of a regulatory regime applicable to any party to any of the Underwriting Agreement or any of its affiliates due to the specific assets or business of such party or such affiliate.

This opinion is rendered solely to you and the other several Underwriters in connection with the Underwriting Agreement. This opinion may not be relied upon by you or the several other Underwriters for any other purpose or relied upon by any other person (including any person acquiring Shares from the several Underwriters) or furnished to any other person without our prior written consent.

Very truly yours,

Annex A

1. Tax Matters Agreement dated as of [•], 2019, by and between [•]
2. Registration Rights Agreement dated as of [•], 2019, by and between Packaging Finance Limited and Reynolds Consumer Products Inc.
3. Stockholders Agreement dated as of [•], 2019, by and between Packaging Finance Limited and Reynolds Consumer Products Inc.
4. Credit Agreement dated as of [•], by and between Reynolds Consumer Products LLC, as borrower, Reynolds Consumer Products Inc., as parent, and certain lenders party thereto
5. Fourth Amended and Restated Credit Agreement, dated as of August 5, 2016, among Reynolds Group Holdings Inc., Reynolds Consumer Products Holdings LLC, Pactiv LLC, Evergreen Packaging LLC (formerly Evergreen Packaging Inc.), Reynolds Consumer Products LLC, Closure Systems International Inc., Graham Packaging Company Inc., Beverage Packaging Holdings III Limited (formerly Beverage Packaging Holdings (Luxembourg) III S.à r.l.), Closure Systems International Holdings LLC, Closure Systems International Limited (formerly Closure Systems International B.V.), Reynolds Group Holdings Limited, the guarantors party thereto, the lenders from time to time party thereto and Credit Suisse AG, as administrative agent
6. Amendment No. 1, dated as of October 4, 2016, related to the Fourth Amended and Restated Credit Agreement, dated as of August 5, 2016, among Reynolds Group Holdings Inc., Reynolds Consumer Products Holdings LLC, Pactiv LLC, Evergreen Packaging LLC (formerly Evergreen Packaging Inc.), Reynolds Consumer Products LLC, Closure Systems International Inc., Graham Packaging Company Inc., Beverage Packaging Holdings III Limited (formerly Beverage Packaging Holdings (Luxembourg) III S.à r.l.), Closure Systems International Holdings LLC, Closure Systems International Limited (formerly Closure Systems International B.V.), Reynolds Group Holdings Limited, the guarantors party thereto, the lenders from time to time party thereto and Credit Suisse AG, as administrative agent
7. Incremental Assumption Agreement, dated as of February 7, 2017, among Reynolds Group Holdings Inc., Reynolds Consumer Products Holdings LLC, Pactiv LLC, Evergreen Packaging LLC (formerly Evergreen Packaging Inc.), Reynolds Consumer Products LLC, Closure Systems International Inc., Graham Packaging Company Inc., Beverage Packaging Holdings III Limited (formerly Beverage Packaging Holdings (Luxembourg) III S.à r.l.), Closure Systems International Holdings LLC, Closure Systems International Limited (formerly Closure Systems International B.V.), Reynolds Group Holdings Limited, the guarantors party thereto, the lender from time to time party thereto and Credit Suisse AG, as administrative agent.
8. 5.750% Senior Secured Notes due 2020 Indenture, dated as of September 28, 2012, among Reynolds Group Issuer Inc., Reynolds Group Issuer LLC, Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, collateral agent and registrar, Wilmington Trust

(London) Limited, as additional collateral agent and The Bank of New York Mellon, London Branch, as paying agent

9. First Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of November 7, 2012, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

10. Second Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of December 14, 2012, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), Beverage Packaging Holdings (Luxembourg) V S.A., as additional note guarantor, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

11. Third Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of April 9, 2013, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

12. Fourth Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of June 14, 2013, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), Beverage Packaging Holdings (Luxembourg) VI S.a.r.l., as additional note guarantor, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

13. Fifth Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of November 15, 2013, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

14. Sixth Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of December 10, 2013, among Reynolds Group

Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

15. Seventh Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of February 14, 2014, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

16. Eighth Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of June 30, 2014, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

17. Ninth Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of December 18, 2014, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

18. Tenth Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of June 16, 2015, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

19. Eleventh Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of October 25, 2016, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

20. Twelfth Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of November 3, 2016, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

21. Thirteenth Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of June 30, 2017, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

22. Fourteenth Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of October 31, 2017, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

23. Fifteenth Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of November 31, 2017, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

24. Sixteenth Senior Secured Notes Supplemental Indenture to the 5.750% Senior Secured Notes due 2020 Indenture, dated as of December 11, 2018, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

25. 5.125% Senior Secured Notes due 2023 and Senior Secured Floating Rate Notes due 2021 Indenture, dated as of June 27, 2016, among Reynolds Group Issuer Inc., Reynolds Group Issuer LLC, Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), certain senior secured note guarantors party thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent,

collateral agent, calculation agent and registrar, and Wilmington Trust (London) Limited, as additional collateral agent

26. First Senior Secured Notes Supplemental Indenture to the 5.125% Senior Secured Notes due 2023 and Senior Secured Floating Rate Notes due 2021 Indenture, dated as of August 1, 2016, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

27. Second Senior Secured Notes Supplemental Indenture to the 5.125% Senior Secured Notes due 2023 and Senior Secured Floating Rate Notes due 2021 Indenture, dated as of October 25, 2016, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

28. Third Senior Secured Notes Supplemental Indenture to the 5.125% Senior Secured Notes due 2023 and Senior Secured Floating Rate Notes due 2021 Indenture, dated as of June 30, 2017, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

29. Fourth Senior Secured Notes Supplemental Indenture to the 5.125% Senior Secured Notes due 2023 and Senior Secured Floating Rate Notes due 2021 Indenture, dated as of October 31, 2017, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

30. Fifth Senior Secured Notes Supplemental Indenture to the 5.125% Senior Secured Notes due 2023 and Senior Secured Floating Rate Notes due 2021 Indenture, dated as of November 21, 2017, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, The Bank of New York Mellon, as trustee, principal paying agent, transfer

agent, registrar and collateral agent, and Wilmington Trust (London) Limited, as additional collateral agent

31. 7.00% Senior Notes due 2024 Indenture, dated as of June 27, 2016, among Reynolds Group Issuer Inc., Reynolds Group Issuer LLC, Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), certain senior note guarantors party thereto and The Bank of New York Mellon as trustee, principal paying agent, transfer agent, and registrar

32. First Senior Notes Supplemental Indenture to the 7.00% Senior Notes due 2024 Indenture, dated as of October 25, 2016, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, and The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, and registrar

33. Second Senior Notes Supplemental Indenture to the 7.00% Senior Notes due 2024 Indenture, dated as of June 30, 2017, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, and The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, and registrar

34. Third Senior Notes Supplemental Indenture to the 7.00% Senior Notes due 2024 Indenture, dated as of October 31, 2017, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, and The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, and registrar

35. Fourth Senior Notes Supplemental Indenture to the 7.00% Senior Notes due 2024 Indenture, dated as of November 21, 2017, among Reynolds Group Issuer LLC, Reynolds Group Issuer Inc., Reynolds Group Issuer (New Zealand) Limited (formerly Reynolds Group Issuer (Luxembourg) S.A.), Beverage Packaging Holdings I Limited (formerly known as Beverage Packaging Holdings (Luxembourg) I S.A.), certain additional note guarantors listed thereto, and The Bank of New York Mellon, as trustee, principal paying agent, transfer agent, and registrar

[•], 2020

Credit Suisse Securities (USA) LLC
Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC
as Representatives of the several Underwriters named in
Schedule A to the Underwriting Agreement referred to below (the "Representatives")

c/o Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, New York 10010-3629

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Ladies and Gentlemen:

We have acted as special counsel for Reynolds Consumer Products Inc., a Delaware corporation (the "Company"), in connection with the Underwriting Agreement dated [•], 2020 (the "Underwriting Agreement") among the Company, you and the other several underwriters named in Schedule A thereto (the "Underwriters"), under which you and such other Underwriters have severally agreed to purchase from the Company an aggregate of [•] shares (the "Shares") of its common stock, par value $0.001 per share. [The Shares include [•] shares of common stock of the Company to be purchased pursuant to the over-allotment option provided for by the Underwriting Agreement.]

We have also participated in the preparation of the Company's registration statement on Form S-1 (File No. 333-234731) and Amendments Nos. [•] thereto filed with the Securities and Exchange Commission (the "Commission") pursuant to the provisions of the Securities Act of 1933, as amended (the "Act"), relating to the offering of the Shares. In addition, we have been advised by the staff of the Commission that such registration statement, as so amended, was declared effective under the Act on [•]. The registration statement on Form S-1, as amended at the time it was declared effective, including the information deemed to be a part thereof at the time of effectiveness pursuant to Rule 430A under the Act, is hereinafter referred to as the "Registration Statement"; the preliminary prospectus relating to the Shares dated [•] is hereinafter referred to as the "Preliminary Prospectus"; and the related prospectus in the form first used to confirm sales of the Shares (or in the form first made available to the Underwriters by the Company to meet requests of purchasers pursuant to Rule 173 under the Act) is hereinafter referred to as the "Prospectus." The Preliminary Prospectus together with the information set forth in Schedule B to the Underwriting Agreement are hereinafter referred to as the "Disclosure Package."

We have, without independent inquiry or investigation, assumed that all documents filed with or submitted to the Commission through its Electronic Data Gathering, Analysis and Retrieval

("EDGAR") system (except for required EDGAR formatting changes) conform to the versions of such documents reviewed by us prior to such formatting.

The primary purpose of our professional engagement was not to establish or confirm factual matters or financial, accounting or quantitative information. Furthermore, many determinations involved in the preparation of the Registration Statement, the Disclosure Package and the Prospectus are of a wholly or partially non-legal character or relate to legal matters outside the scope of our opinion separately delivered to you today in respect of certain matters under the laws of the State of New York, the federal laws of the United States of America and the General Corporation Law of the State of Delaware. As a result, we are not passing upon, and do not assume any responsibility for, the accuracy, completeness or fairness of the statements contained in the Registration Statement, the Disclosure Package or the Prospectus, and we have not ourselves checked the accuracy, completeness or fairness of, or otherwise verified, the information furnished in such documents (except to the extent expressly set forth in our opinion letter separately delivered to you today as to statements included in the Prospectus under the caption "Description of Capital Stock" and "Material U.S. Federal Tax Considerations for Non-U.S. Holders of Common Stock"). However, in the course of our acting as counsel to the Company in connection with the preparation of the Registration Statement, the Disclosure Package and the Prospectus, we have generally reviewed and discussed with your representatives and your counsel and with certain officers and employees of, and independent public accountants for, the Company the information furnished, whether or not subject to our check and verification. We have also reviewed and relied upon certain corporate records and documents, letters from counsel and accountants and oral and written statements of officers and other representatives of the Company and others as to the existence and consequence of certain factual and other matters.

On the basis of the information gained in the course of the performance of the services rendered above, but without independent check or verification except as stated above:

(i) the Registration Statement and the Prospectus appear on their face to be appropriately responsive in all material respects to the requirements of the Act and the applicable rules and regulations of the Commission thereunder; and

(ii) nothing has come to our attention that causes us to believe that:

(a) the Registration Statement or the prospectus included therein at the time the Registration Statement became effective contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading,

(b) at [•] [A/P.M.] New York City time on [•], the Disclosure Package contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or

(c) the Prospectus as of its date or as of the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

In providing this letter to you and the other several Underwriters, we have not been called to pass upon, and we express no view regarding, the financial statements or financial schedules or other financial or accounting data included in the Registration Statement, the Disclosure Package or the Prospectus. In addition, we express no view as to the conveyance of the Disclosure Package or the information contained therein to investors.

This letter is delivered solely to you and the other several Underwriters in connection with the Underwriting Agreement. This letter may not be relied upon by you or the other several Underwriters for any other purpose or relied upon by any other person (including any person acquiring Shares from the several Underwriters) or furnished to any other person without our prior written consent.

Very truly yours,

Exhibit B

Form of Press Release

Reynolds Consumer Products Inc.

[Date]

Reynolds Consumer Products Inc. (the "Company") announced today that Credit Suisse, Goldman Sachs and J.P. Morgan, the lead book-running managers in the Company's recent public sale of [•] shares of common stock, are [waiving] [releasing] a lock-up restriction with respect to [•] shares of the Company's common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on [•], 20[•], and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

Exhibit C

Form of Lock-Up Agreement

[•]

Reynolds Consumer Products Inc.
1900 W. Field Court
Lake Forest, Illinois 60045

Credit Suisse Securities (USA) LLC,
Goldman Sachs & Co. LLC,
J.P. Morgan Securities LLC,

c/o Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, NY 10010-3629

Ladies and Gentlemen:

As an inducement to the underwriters to execute the Underwriting Agreement (the "**Underwriting Agreement**"), pursuant to which an offering (the "**Offering**") will be made that is intended to result in the establishment of a public market for common stock, $0.001 par value per share (the "**Securities**"), of Reynolds Consumer Products Inc., a Delaware corporation, and any successor (by merger or otherwise) thereto, (the "**Company**"), the undersigned hereby agrees that during the period specified in the fourth paragraph (the "**Lock-Up Period**"), the undersigned will not, and will not cause any direct or indirect affiliate to, offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any Securities or securities convertible into or exchangeable or exercisable for any Securities, enter into a transaction which would have the same effect, or enter into any swap, hedge or other arrangement (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition (whether by the undersigned or someone other than the undersigned) or transfer of any economic consequences of ownership, in whole or in part, directly or indirectly, of any Securities or securities convertible into or exchangeable or exercisable for any Securities, whether any such aforementioned transaction is to be settled by delivery of the Securities or such other securities, in cash or otherwise, or publicly disclose the intention to make any such offer, sale, pledge or disposition, or to enter into any such transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC (collectively, the "**Representatives**"). In addition, the undersigned agrees that, without the prior written consent of the Representatives, it will not, during the Lock-Up Period, make any demand for or exercise any right with respect to, the registration of any Securities or any security convertible into or exercisable or exchangeable for the Securities. Furthermore, the undersigned confirms that it has furnished the Representatives with the details of any transaction the undersigned, or any of its affiliates, is a party to as of the date hereof, which transaction would have been restricted by this Lock-Up Agreement if it had been entered into by the undersigned during the Lock-Up Period.

Notwithstanding the foregoing, the undersigned may transfer the undersigned's Securities:

i. as a bona fide gift or gifts, or for bona fide estate planning purposes,

ii. by will, other testamentary document or intestate succession,

iii. to any trust for the direct or indirect benefit of the undersigned or one or more members of the immediate family of the undersigned, or if the undersigned is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust (for purposes of this Lock-Up Agreement,

"immediate family" shall mean any relationship by blood, current or former marriage, domestic partnership or adoption, not more remote than first cousin),

iv. to any immediate family member,

v. to a partnership, limited liability company or other entity of which the undersigned and the immediate family of the undersigned are the legal and beneficial owner of all of the outstanding equity securities or similar interests,

vi. to the Company from an employee of or service provider of the Company upon death, disability or termination of employment, in each case, of such employee or service provider,

vii. to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iii) above,

viii. by operation of law, such as pursuant to a qualified domestic order, divorce settlement, divorce decree or separation agreement,

ix. in transactions relating to shares of Common Stock that the undersigned may purchase in open market transactions after completion of the Offering,

x. to the Company (A) in connection with the vesting, settlement, or exercise of restricted stock units, options, warrants or other rights to purchase shares of Common Stock (including, in each case, by way of "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments due as a result of the vesting, settlement, or exercise of such restricted stock units, options, warrants or rights, or (B) as necessary to generate only such amount of cash needed for the payment of taxes, including estimated taxes, due as a result of the vesting or settlement of restricted stock units whether by means of a "net settlement" or otherwise, provided that any such shares of Common Stock received upon such exercise, vesting or settlement shall be subject to the terms of this Lock-Up Agreement, and provided further that any such restricted stock units, options, warrants or rights are held by the undersigned pursuant to an agreement or equity awards granted under a stock incentive plan or other equity award plan, each such agreement or plan which is described in the Prospectus,

xi. to the Company in connection with the repurchase of shares of Common Stock issued pursuant to equity awards granted under a stock incentive plan or other equity award plan, which plan is described in the Prospectus, or pursuant to the agreements pursuant to which such shares were issued, as described in the Prospectus, provided that such repurchase of shares of Common Stock is in connection with the termination of the undersigned's service-provider or employment relationship with the Company,

xii. pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction that is approved by the Board of Directors of the Company and made to all holders of the Company's capital stock involving a Change of Control of the Company, provided that in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the undersigned's Common Stock and other securities shall remain subject to the provisions of this Lock-Up Agreement; as used herein, a "Change of Control" shall mean the transfer of the Company's voting securities in one transaction or a series of related transactions to any "person" (as defined in Section 13(d)(3) of the Exchange Act) or group of affiliated persons if, after such transfer, such person or group of affiliated persons (other than (i) any underwriter pursuant to the Offering or (ii) Reynolds Group Holdings Inc. and its affiliates) would beneficially hold a majority of the outstanding voting securities of the Company (or the surviving entity),

xiii. for shares of Common Stock or other securities in connection with the conversion, reclassification, exchange or swap of any outstanding preferred stock, other classes of Common Stock or other

securities into shares of one or more series or classes of Common Stock or other securities, provided that any such shares of Common Stock or other securities received upon such conversion, reclassification, exchange or swap shall be subject to the terms of this Lock-Up Agreement, provided further, that for the avoidance of doubt, no transfers are permitted under this subsection (x) except for transfers to or from the Company,

xiv. [if the undersigned is a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate (as defined in Rule 405 promulgated under the Securities Act of 1933, as amended) of the undersigned, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the undersigned or affiliates of the undersigned (including, for the avoidance of doubt, where the undersigned is a partnership, to its general partner or a successor partnership or fund, or any other funds managed by such partnership), or (B) as part of a distribution, transfer or disposition without consideration by the undersigned to its stockholders, partners, members or other equity holders, or

xv. to the extent necessary to consummate the Corporate Reorganization (as defined in the Prospectus),]

provided that (A) in the case of any transfer or distribution pursuant to clause (i), (ii), (iii), (iv), (v), (vii), (viii), [and (xiv)], each donee, devisee, transferee or distributee shall execute and deliver to the Representatives a lock-up letter in the form of this Lock-Up Agreement, (B) in the case of any transfer or distribution pursuant to clause (i), (ii), (iii), (iv), (v), (vii), (ix), (x) [and (xiv)], no filing by any party (donor, donee, transferor, transferee, distributor or distributee) under the Exchange Act, or other public announcement reporting a reduction in beneficial ownership of shares of Common Stock shall be required or shall be made voluntarily in connection with such donation, transfer or distribution, (C) in the case of any transfer or distribution pursuant to clause (vi), (viii), (x), and (xi) it shall be a condition to such transfer that any filing under Section 16(a) of the Exchange Act, or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock shall clearly indicate in the footnotes thereto the nature and conditions of such transfer and (D) in the case of (i), (ii), (iii), (iv), (v), (vii), (viii) [and (xiv)] above, such transfer shall not involve a disposition for value.

In addition, the foregoing paragraph shall not apply to the establishment of trading plans by the undersigned pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Common Stock; provided that (1) such plans do not provide for the transfer of Common Stock during the Restricted Period and (2) to the extent a filing by any party under the Exchange Act or other public announcement shall be required in connection with the establishment or amendment of such trading plans, such announcement or filing shall include a statement to the effect that no transfer of shares of Common Stock may be made under such plan during the Restricted Period.

The Lock-Up Period will commence on the date of this Lock-Up Agreement and continue and include the date that is 180 days after the public offering date set forth on the final prospectus used to sell the Securities (the "**Public Offering Date**") pursuant to the Underwriting Agreement, to which you are or expect to become parties.

Any Securities or securities convertible into or exchangeable or exercisable for any Securities received upon exercise of options granted to the undersigned will also be subject to this Lock-Up Agreement.

In furtherance of the foregoing, the Company and its transfer agent and registrar are hereby authorized to decline to make any transfer of Securities or securities convertible into or exchangeable or exercisable for any Securities if such transfer would constitute a violation or breach of this Lock-Up Agreement.

If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing restrictions in this Lock-Up Agreement shall be equally applicable to any issuer-directed Securities the undersigned may purchase in the above-referenced offering.

If the undersigned is an officer or director of the Company, (i) the Representatives agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of Securities or securities convertible into or exchangeable or exercisable for any Securities, the

Representatives will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by the Representatives hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this Lock-Up Agreement to the extent and for the duration that such terms remain in effect at the time of the transfer.

This Lock-Up Agreement shall be binding on the undersigned and the successors, heirs, personal representatives and assigns of the undersigned. This Lock-Up Agreement shall lapse and become null and void if the Public Offering Date shall not have occurred on or before March 31, 2020. **This agreement shall be governed by, and construed in accordance with, the laws of the State of New York.**

[*Signature page follows*]

Very truly yours,

IF AN INDIVIDUAL:

By: _____
(duly authorized signature)

Name: _____
(please print full name)

Address:

_____

IF AN ENTITY:

(please print complete name of entity)

By: _____
(duly authorized signature)

Name: _____
(please print full name)

Address:

_____

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017

212 450 4000 tel
212 701 5800 fax

January 21, 2020

Reynolds Consumer Products Inc.
1900 W. Field Court
Lake Forest, IL 60045

Ladies and Gentlemen:

Reynolds Consumer Products Inc., a Delaware corporation (the "**Company**"), has filed with the Securities and Exchange Commission a Registration Statement on Form S-1 (the "**Registration Statement**") and the related prospectus (the "**Prospectus"**) for the purpose of registering under the Securities Act of 1933, as amended (the "**Securities Act**"), of up to 47,170,000 shares of its common stock, par value $0.001 per share (the "**Securities**"), including up to 7,075,500 shares of common stock to cover the underwriters' option to purchase additional shares of common stock, if any, as described in the Registration Statement.

We, as your counsel, have examined originals or copies of such documents, corporate records, certificates of public officials and other instruments as we have deemed necessary or advisable for the purpose of rendering this opinion.

In rendering the opinion expressed herein, we have, without independent inquiry or investigation, assumed that (i) all documents submitted to us as originals are authentic and complete, (ii) all documents submitted to us as copies conform to authentic, complete originals, (iii) all signatures on all documents that we reviewed are genuine, (iv) all natural persons executing documents had and have the legal capacity to do so, (v) all statements in certificates of public officials and officers of the Company that we reviewed were and are accurate and (vi) all representations made by the Company as to matters of fact in the documents that we reviewed were and are accurate.

Based upon the foregoing, we advise you that, in our opinion, upon (i) the filing of the Amended and Restated Certificate of Incorporation (in the form filed as Exhibit 3.1 to the Registration Statement) with the Secretary for the State of Delaware and the effectiveness thereof under Delaware law, (ii) the adoption of the Amended and Restated Bylaws of the Company (in the form filed as Exhibit 3.2 to the Registration Statement), and (iii) the price at which the Securities are to be sold has been approved by or on behalf of the Board of Directors of the Company and

when the Securities have been issued and delivered against payment therefor in accordance with the terms of the Underwriting Agreement referred to in the Prospectus, the Securities will be validly issued, fully paid and non-assessable.

We are members of the Bar of the State of New York and the foregoing opinion is limited to the laws of the State of New York and the General Corporation Law of the State of Delaware.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and further consent to the reference to our name under the caption “Legal Matters” in the Prospectus. In giving this consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Davis Polk & Wardwell LLP

Exhibit 10.22

TRANSITION SERVICES AGREEMENT

TRANSITION SERVICES AGREEMENT (the "Agreement") dated as of [•], 2020, between **Reynolds Group Holdings Inc.**, a Delaware corporation ("RGHI"), and **Reynolds Consumer Products Inc.**, a Delaware corporation, (the "Company" or "RCP"). Each Party or any of its Affiliates providing services hereunder shall be a "Provider," and each Party or any of its Affiliates receiving services hereunder shall be a "Recipient."

PRELIMINARY STATEMENT

A. Prior to the Commencement Date, RGHI and the Company were wholly owned subsidiaries of Reynolds Group Holdings Limited, a company organized under the laws of New Zealand ("RGHL"). Effective February 4, 2020 (the "Commencement Date"), RCP is undertaking an initial public offering of shares of common stock and thereafter the Company will no longer be a subsidiary of RGHL.

B. In order to facilitate the separation of the Company and its Affiliates from RGHI and its Affiliates, (i) RGHI will provide, or cause its Affiliates to provide, certain services to the Company and its Affiliates, and (ii) the Company will provide, or cause its Affiliates to provide, certain services to RGHI and its Affiliates, all on the terms and conditions set forth herein.

NOW, THEREFORE, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions. The following terms shall have the respective meanings set forth below throughout this Agreement:

"Affiliate" means, with respect to any person, any other person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such person. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlled" and "controlling" have meanings correlative thereto. For the avoidance of doubt, for the purposes of this Agreement and all exhibits thereto, the term Affiliate shall not apply to the relationship between RGHI or RGHL or either of their respective Affiliates on the one hand and RCP and its direct and indirect subsidiaries on the other hand.

"Applicable Rate" means the average of the daily "prime rate" (expressed rate per annum) published in *The Wall Street Journal* for each of the days in the applicable period, plus two percent (2%).

"Business" means the manufacture and sale of consumer products including cooking products, waste & storage products, and tableware by the Company and activities ancillary thereto.

"Business Day" means any day that is not (a) a Saturday, (b) a Sunday, or (c) any other day on which commercial banks are authorized or required by law to be closed in the City of New York.

"Change" has the meaning set forth in Section 3.1(c).

"Commencement Date" has the meaning set forth in the preamble.

"Confidential Information" means any information of a Party, its Affiliates, members, licensors, consultants, service providers, advisors or agents that is confidential or proprietary, however recorded or preserved, whether written or oral. Confidential Information includes trade secrets, pricing data, employee information, customer information, cost information, supplier information, financial and tax matters, third-party contract terms, inventions, know-how, processes, methods, models, technical information, schedules, code, ideas, concepts, data, software and business plans (regardless of whether such information is identified as confidential).

"Dispute Negotiations" has the meaning set forth in Section 3.3(b).

"Fees" has the meaning set forth in Section 5.1.

"Force Majeure Event" has the meaning set forth in Section 10.1.

"Governmental Authority" means governmental or quasi-governmental entity of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal) or (iii) body exercising, or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature, including any arbitral tribunal.

"Indemnified Parties" has the meaning set forth in Section 9.1.

"Indemnifying Party" has the meaning set forth in Section 9.1.

"Law" means a law, statute, order, ordinance, rule, regulation, judgment, injunction, order, or decree.

"Litigation" means any action, cease and desist letter, demand, suit, arbitration proceeding, administrative or regulatory proceeding, citation, summons or subpoena of any nature, civil, criminal, regulatory or otherwise, in law or in equity.

"Losses" means any and all damages, liabilities, losses, obligations, claims of any kind, interest and expenses (including reasonable fees and expenses of attorneys).

"Migration Plan" has the meaning set forth in Section 2.1(c).

"Migration Services" has the meaning set forth in Section 2.1(c).

"Multi-party Contract" means a contract with a customer or supplier pursuant to which both RCP and RGHI or any of its Affiliates provides a benefit to or receives a benefit from a third party.

"Party" means RGHI or Company, as applicable (collectively, the "Parties").

"Personnel" means, with respect to any Party, (i) the employees, officers and directors of such Party or its Affiliates or (ii) agents, accountants, attorneys, independent contractors and other third parties engaged by such Party or its Affiliates.

"Provider" has the meaning set forth in the preamble.

"RCP Names" means the registered and unregistered trademarks and corporate names used by RCP, RGHI and its respective Affiliates immediately prior to the Commencement Date which include the word "Reynolds" and any derivatives thereof.

"Recipient" has the meaning set forth in the preamble

"Reverse Transition Services" has the meaning set forth in Section 2.1(b).

"RGHI Letters of Credit" means all letters of credit, performance bonds or other surety agreements that RGHL or RGHI or its Affiliates have in place with respect to the Company.

"RGHI Guarantees" means all guarantees extended by RGHI or RGHL or its Affiliates on behalf of the Company.

"Sale and Services Taxes" has the meaning set forth in Section 5.5.

"Security Incident" has the meaning set forth in Section 4.1.

"Security Regulations" means a Party's and its Affiliates' system security policies, procedures and requirements, as amended from time to time.

"Service Coordinator" has the meaning set forth in Section 3.3(a).

"Service Standard" has the meaning set forth in Section 3.1(a).

"Services" means the Transition Services and the Reverse Transition Services, unless the context requires otherwise.

"Systems" has the meaning set forth in Section 3.5.

"Tax" means any federal, state, local or foreign income, alternative, minimum, accumulated earnings, personal holding company, franchise, capital stock, profits, windfall profits, gross receipts, sales, use, value added, transfer, registration, stamp, premium, excise, customs duties, severance, environmental (including taxes under section 59A of the Code), real property, personal property, ad valorem, occupancy, license, occupation, employment, payroll, social security, disability, unemployment, workers' compensation, withholding, estimated or other similar tax, duty, fee, assessment or other governmental charge or deficiencies thereof (including all interest and penalties thereon and additions thereto).

"Terminating Party" has the meaning set forth in Section 6.3.

"Term" has the meaning set forth in Section 6.1.

"Termination Date" has the meaning set forth in Section 6.1.

"Transition Services" has the meaning set forth in Section 2.1(a).

"TSA Records" has the meaning set forth in Section 7.1(a).

ARTICLE II
SERVICES AND INTERNAL CONTROLS

Section 2.1 Services.

(a) During the applicable Term of any Service, and in accordance with the terms and conditions of this Agreement, RGHI shall provide, or shall cause its Affiliates or, subject to Section 2.2, third parties to provide, to the Company or one or more of its Affiliates (in connection with the conduct of the Business) the services described on Exhibit A hereto (the "Transition Services"). Notwithstanding the content of Exhibit A, RGHI agrees to consider in good faith any reasonable request by the Company for access to any additional service that is necessary for the operation of the Business, at fees to be agreed upon after good faith negotiation between the parties. RGHI will not be in in breach of this Agreement if RGHI declines to provide a requested additional service for any good faith reason, including the failure of the Parties to agree to the scope, term, and fee for the additional service. Any such additional services so provided by RGHI shall constitute Services hereunder and be subject in all respects to the provisions of this Agreement as if fully set forth on Exhibit A as of the date hereof.

(b) During the applicable Term of any Service, and in accordance with the terms and conditions of this Agreement, Company shall provide, or shall cause its Affiliates or, subject to Section 2.2, third parties to provide, to RGHI or one or more of its Affiliates, the services described on Exhibit B hereto (the "Reverse Transition Services").

(c) In addition to the Services described on Exhibit A hereto, RGHI shall, and shall cause its Affiliates to undertake the segregation and extraction required to separate the IT systems, data, records and processes of the Company, or thereafter created in the conduct of the Business from RGHI's IT environment or infrastructure, and migrate them to RCP's, or any of its Affiliates', IT environment or infrastructure (collectively, the "Migration Services"). For the avoidance of doubt, Migration Services apply to services only and do not include the acquisition or supply of any hardware, software, license (except where RGHI, at the request of RCP, acquires such hardware, software, or license at RCP's cost), or ongoing operational support service for the operating environment(s) (except as otherwise contemplated by Exhibit A). The costs of such Migration Services

shall be paid by RCP, including any out-of-pocket costs incurred by RGHI or its Affiliates in connection with such Migration Services and for the time spent by RGHI, its Affiliates or their Personnel, as applicable, in providing such Migration Services. RGHI will also provide to RCP any available reasonable documentation around the systems implementation, configuration documents, process maps, or any other documentation related to the systems that are part of the separation. RGHI and RCP shall work together in good faith to develop a detailed plan for migrating RCP's IT systems, data, records and processes to its IT environment or infrastructure (the "Migration Plan").

Section 2.2 Performance by Affiliates or Subcontractors. Either Party may, in its sole discretion, engage, or cause one of their Affiliates to engage, one or more parties (including other third parties or Affiliates) to provide some or all of the Services; provided, (i) such Party is using such Affiliate or third party to perform the same Services for itself and its Affiliates (to the extent applicable), (ii) such arrangement would not increase the cost to Recipient for such Services, and (iii) if such third party is not already engaged with respect to such Service as of the date hereof, Provider shall obtain the prior written consent of Recipient (not to be unreasonably withheld). Provider shall (x) be responsible for the performance or non-performance of any such parties and (y) in all cases remain responsible for ensuring that obligations with respect to the standards of Services set forth in Article III of this Agreement are satisfied with respect to any Services provided by such Affiliate or third party.

Section 2.3 Scope of Services. Other than as expressly set forth on Exhibit A, Section 2.1, Exhibit B, or as agreed by the Parties in writing, in no event shall Provider be obligated to provide any Service to the Recipient for any purpose other than to facilitate, on a transitional basis, the Recipient's ability to conduct business as conducted immediately preceding the date hereof.

Section 2.4 Internal Controls and Procedures. In addition to the requirements of Article III and Article VII herein, with respect to the Services provided by RGHI and its Affiliates providing Services hereunder, certain of the Services may involve processes that directly or indirectly support financial information that the Company includes within its consolidated financial reports. The Company has an obligation to ensure that it has internal controls over financial reporting that comply with the Sarbanes-Oxley Act of 2002 and must also ensure that its external auditors can complete their necessary evaluation of the Company's internal controls over financial reporting in accordance with auditing standards issued by the U.S. Public Company Accounting Oversight Board. The Company and RGHI and such Affiliates shall use reasonable commercial efforts to agree (i) what key controls over financial reporting will be performed by RGHI and such Affiliates within the processes that directly or indirectly support financial information that the Company includes within its consolidated financial reports; (ii) the frequency as to the performance of the agreed key controls; and (iii) the form of documentation required to evidence the effective performance of the agreed key controls. RGHI and such Affiliates will perform the agreed key controls and evidence such performance in the agreed format. Company shall have the right, in a manner to avoid unreasonable interruption to RGHI's or its Affiliates' business, to (1) evaluate the effectiveness of the key controls; and (2) upon at least thirty (30) days' written notice to RGHI, perform (through its external auditor) audit procedures over RGHI's internal controls and procedures for the Services provided under this Agreement; provided that such right to audit shall exist solely to the extent reasonably required by Company's external auditors to ensure Company's compliance with the Sarbanes-Oxley Act of 2002. Company shall pay or reimburse all of RGHI's expenses and costs arising from such audit. The performance of the agreed key controls, preparation of documentation, providing access to the Company or its delegate and the Company's auditors will be billed at the agreed rates as set forth on Exhibit A.

ARTICLE III
SERVICE LEVELS; SERVICE COORDINATORS; TSA COMMITTEE

Section 3.1 Quality of Services.

(a) Provider shall perform the Services (i) at a level of quality substantially similar in all material respects to that at which such Services were performed or enjoyed during the twelve (12) month period prior to the date hereof and (ii) in accordance with applicable Law (collectively, (i) and (ii), the "Service Standard"). Subject to Section 3.1(c), internal controls of Provider and its Affiliates with respect to the Service Standard shall remain materially the same in effect throughout the term of this Agreement. Each Party acknowledges that the other Party and their Affiliates are not professional service providers of the Services.

(b) In the event of any material failure of a Provider to perform the Services, as applicable, in accordance with the Service Standards, Recipient shall provide Provider with written notice of such material failure, and Provider will use commercially reasonable efforts to remedy such failure as soon as reasonably possible and in the same manner that Provider would remedy such a failure for their other businesses undergoing such a material failure.

(c) A Provider may, from time to time: (i) reasonably supplement, modify, upgrade, substitute or otherwise alter ("Change") any Service in a manner consistent with Changes made with respect to similar services provided by Provider on their own behalf or to their Affiliates, including taking any physical or information security measures with respect to such Service, in a manner that does not (x) adversely affect in any material respect the quality or availability of such Service or (y) materially increase the fees payable in connection with such Changed Service; provided that to the extent that any such Change is reasonably likely to modify, substitute or otherwise alter the receipt or use of such Service, Provider shall provide Recipient with reasonable advance written notice of the implementation of the Change to the extent practicable under the circumstances; provided, further, that the Service Standard shall continue to apply to such Service following any Change. If a Change is required by applicable Law or is in response to a threatened Security Incident, Provider may make any and all changes to the Service necessary to comply with applicable Law and any changes thereto or to respond to such threatened Security Incident in a manner consistent with responses made by Provider on its own behalf or in respect of their Affiliates; provided that Provider shall provide Recipient such reasonable advance written notice of the implementation of any such Change as may be practicable under the circumstances; and (ii) with reasonable advance written notice to Recipient, temporarily suspend the provision of a Service as necessary to conduct Systems maintenance or patching without such suspension constituting a breach of the Service Standard.

(d) A Provider need not provide any Service if it is not permitted to do so by applicable Law. To the extent that any Service is not permitted pursuant to applicable Law, the Parties will cooperate in good faith to enter into arrangements reasonably acceptable to each of the Parties under which the Recipient would obtain the benefit of such Service to the same extent (or as nearly as practicable) as if such Service were permitted by applicable Law.

Section 3.2 Policies. Each Party shall, and shall cause any of its Affiliates or third parties providing or receiving Services (as the case may be) to, follow the reasonable policies, procedures and practices of the other Party and its Affiliates applicable to the Services that are known or made known to such Party. A failure of a Recipient to act in accordance with this Section 3.2 that prevents a Provider from providing a Service hereunder shall, upon reasonable advance written notice to the Recipient (where practicable), relieves Provider of its obligations under the Service until such time as the failure has been cured.

Section 3.3 Service Coordinators and Dispute Resolution.

(a) RGHI and Company shall each nominate a representative to act as the primary contact person with respect to the performance of the Services (each, a "Service Coordinator"). Unless otherwise agreed upon by the Parties, the Parties shall direct all initial communications relating to this Agreement and the Services to the Service Coordinators. The initial Service Coordinators for RGHI and Company, including their contact information, are set forth on Exhibit C. Either Party may replace its Service Coordinator at any time by providing notice and contact information for the newly designated Service Coordinator in accordance with Section 10.5. The Service Coordinators shall oversee the implementation and ongoing operation of this Agreement. The Parties shall ensure that their respective Service Coordinators shall meet in person or telephonically at such times as are reasonably requested by RGHI or Company to review and discuss the status of, and any issues arising in connection with, the Services or this Agreement.

(b) In the event a dispute arises between the Parties under this Agreement, telephonic negotiations shall be conducted between the Parties' respective Service Coordinators within ten (10) days following a written request from any Party ("Dispute Negotiations"). If the Service Coordinators are unable to resolve the dispute within ten (10) days after the Parties have commenced Dispute Negotiations, then either RGHI or the Company, by written request to the other Party, may request that such dispute be referred for resolution to the respective presidents (or similar position) of the divisions implicated by the matter for the Parties, or more senior executive of a Party if such Party so designates, which presidents (or other executives) will have fifteen (15) days to resolve such dispute. If the presidents of the relevant divisions (or other executives) for each Party do not agree to a resolution of such dispute within fifteen (15) days after the reference of the matter to them, or if the dispute is not otherwise resolved in a friendly manner as set forth in this Section 3.3, then any unresolved dispute may be resolved pursuant to Section 10.8.

Section 3.4 Limitation of Services Provided. Except to the extent required to meet the Service Standards, in providing the Services, the Parties are not obligated to: (i) hire any additional employees; (ii) maintain the employment of any specific employee; (iii) purchase, lease or license any additional equipment or software; or (iv) make any capital investment to provide or continue providing the Services. The Parties have no responsibility to verify the correctness of any information given to them on behalf of the other Party for the purposes of providing the Services.

Section 3.5 Third Party Licenses and Consents. The Parties will cooperate and assist each other, and use commercially reasonable efforts, to obtain, or direct its Affiliates to obtain, any third party consents required under the terms of any agreement between a Party or any of its Affiliates, on the one hand, and a third party, on the other hand, in order for a Party or its Affiliates to provide the Services during the Term. Notwithstanding the foregoing, if the provision of any Service as contemplated by this Agreement requires the consent, license or approval of any third party not previously obtained, the Parties shall use commercially reasonable efforts, to obtain as promptly as possible after the Commencement Date, any third party consents, permits, licenses and approvals required under the terms of any third party agreement in order for Provider to provide the Services hereunder. The cost of obtaining any consent, permit, license or approval with respect to any Service shall be borne by the Recipient of the relevant Services. If any such consent, permit, license or approval is not obtained, the Parties will cooperate in good faith to enter into reasonably acceptable arrangements under which Recipient would obtain the benefit of such Service to the same extent (or as nearly as practicable) as if such consent were obtained (at Recipient's cost), and each Party will continue to use commercially reasonable efforts to obtain any such required consent or amendment. The Parties acknowledge that it may not be practical to try to anticipate and identify every possible legal, regulatory, and logistical impediment to the provision of Services hereunder. Accordingly, each Party will promptly notify the other Party if it reasonably determines that there is a legal, regulatory, or logistical impediment to the provision of any Service, and the Parties shall each use commercially reasonable efforts to overcome such impediments so that the Services may be provided otherwise in accordance with the terms of this Agreement. All computer systems or software ("Systems"), data, facilities and other resources owned by a Party, its Affiliates or third parties used in connection with the provision or receipt of the Services, as applicable, shall remain the property of such Party, its Affiliates or third parties.

ARTICLE IV
SECURITY; SYSTEMS

Section 4.1 Security Breaches. If any Party discovers (a) any material breach of the Security Regulations or of the systems used to provide the Services or (b) any breach or threatened breach of the Security Regulations that involves or may reasonably be expected to involve unauthorized access, disclosure or use of the other Party's or its Affiliates' Confidential Information (each of (a) and (b), a "Security Incident"), such Party shall, at the cost of the Party responsible for the Security Incident, (i) promptly (both orally, if practicable, and in any event in writing) notify the other Party of the Security Incident and (ii) reasonably cooperate with the other Party (1) to take commercially reasonable measures necessary to control and contain the security of such Confidential Information, (2) to remedy any such Security Incident, including using commercially reasonable efforts to identify and address any root causes for such Security Incident, (3) to furnish full details of the Security Incident to the other Party and keep such other Party advised of all material measures taken and other developments with respect to such Security Incident, (4) in any litigation or formal action with third parties or in connection with any regulatory, investigatory or other action of any Governmental Authority and (5) in notifying the other Party's or its Affiliates' customers and Personnel and other persons of the Security Incident to the extent reasonably requested by the other Party.

Section 4.2 Systems Security.

(a) If RGHI, Company, their Affiliates or their respective Personnel receive access to any of RGHI's, Company's, or their respective Affiliates', as applicable, Systems in connection with the Services, the accessing Party or its Personnel, as the case may be, shall comply with all of such other Party's and its Affiliates' reasonable Security Regulations known to such accessing Party or its Personnel or made known to such accessing Party or its Personnel in writing, and will not tamper with, compromise or circumvent any security, Security Regulations or audit measures employed by such other Party or its relevant Affiliate.

(b) Each Party shall, and shall cause its Affiliates to, as required by applicable Law, (i) ensure that only those of its Personnel who are specifically authorized to have access to the Systems of the other Party or its Affiliates gain such access and (ii) prevent unauthorized access, use, destruction, alteration or loss of information contained therein, including by notifying its Personnel regarding the restrictions set forth in this Agreement and establishing appropriate policies designed to effectively enforce such restrictions.

(c) Each Party shall, and shall cause their respective Affiliates to, access and use only those Systems of the other Party and its Affiliates, and only such data and information within such Systems, to which they have been granted the right to access and use. Any Party and its Affiliates shall have the right to deny the Personnel of the other Party or its Affiliates access to such first Party's or its Affiliates' Systems, after prior written notice and consultation with the other Party, in the event the Party reasonably believes that such Personnel pose a security concern.

Section 4.3 Viruses. Provider and Recipient shall each use its commercially reasonable efforts consistent with its past practices to prevent the introduction or coding of viruses or similar items into the Systems of the other Party. Without limiting the rights and remedies of any party hereunder, in the event a virus or similar item is introduced into the Systems of a Party, whether or not such introduction is attributable to the other Party (including such other Party's failure to perform its obligations under this Agreement), the other Party shall, as soon as practicable, use its commercially reasonable efforts to assist such Party in reducing the effects of the virus or similar item, and if the virus or similar item causes a loss of operational efficiency or loss of data, upon such Party's request, work as soon as practicable to contain and remedy the problem and to restore lost data resulting from such introduction.

Section 4.4 Providers' Software. Except as authorized by this Agreement or by Provider's express written consent, Recipient shall not, and shall cause its Affiliates not to, copy, modify, reverse engineer, decompile or in any way alter any software of Provider or any of its Affiliates.

Section 4.5 System Upgrades. No Provider shall be required to purchase, upgrade, enhance or otherwise modify any Systems used by any Recipient as of the date hereof in connection with the business of any Party, or to provide any support or maintenance services for any Systems that have been upgraded, enhanced or otherwise modified from the Systems that are used in connection with the business of any Party as of the date hereof.

ARTICLE V
FEES

Section 5.1 Fees. Recipient shall pay Provider (i) the fee for each Service set forth on Exhibit A or Exhibit B, (ii) Providers' and their Affiliates' reasonable and documented out-of-pocket expenses incurred in providing the Services, including the third-party fees and expenses that are charged to Recipient or their Affiliates in connection with provision of the Services (including any fees and expenses charged by subcontractors permitted to provide the Services under Section 2.2) but excluding payments made to employees of Provider or any of their Affiliates pursuant to Section 5.2, and (iii) any other fees as agreed to by the Parties in writing (collectively, the "Fees").

Section 5.2 Responsibility for Wages and Fees. Any employees of Provider or any of their Affiliates providing Services to Recipient under this Agreement will remain employees of Provider or such Affiliate and shall not be deemed to be employees of Recipient for any purpose. Provider or such Affiliate shall be solely responsible for the payment and provision of all wages, bonuses and commissions, employee benefits, including severance and worker's compensation, and the withholding and payment of applicable Taxes relating to such employment.

Section 5.3 Invoices. Provider shall submit or cause to be submitted to Recipient in writing, within 15 days after the end of each month, an invoice setting forth the Fees for the Services provided to Recipient during such month in reasonable detail, as applicable, due under such invoice.

Section 5.4 Payment. Recipient shall pay, or cause to be paid, the Fees shown on an invoice no later than the last business day of the month Recipient received such invoice unless disputed in accordance with Section 5.7. Any amount not received from the invoiced Party within such period shall bear interest at the Applicable Rate, from and including the last date of such period to, but excluding, the date of payment.

Section 5.5 Sales Tax, Etc. Provider shall be entitled to invoice and collect from Recipient any additional amounts required for state, local and foreign sales Tax, value added Tax, goods and services Tax or similar Tax with respect to the provision of the Services hereunder, as applicable ("Sale and Services Taxes"). Notwithstanding the previous sentence, if the Recipient is exempt from liability for such Sale and Services Taxes, it shall provide Provider with a certificate (or other proof) evidencing an exemption from liability for such Sale and Services Taxes. Provider shall be responsible for any losses (including any deficiency, interest and penalties) imposed as a result of a failure to timely remit such Sale and Services Taxes to the applicable tax authority to the extent the Recipient timely remits such Sale and Services Taxes to Provider or Provider's failure to do so results from Provider's failure to timely charge or invoice such Sale and Services Taxes. The Recipient shall be entitled to any refund of any such Sale and Services Taxes paid in excess of liability as determined at a later date. Provider shall promptly notify the Recipient of any deficiency claim or similar notice by a tax authority with respect to Sale and Services Taxes payable hereunder, and of any pending audit or other proceeding that could lead to the imposition of Sales and Services Taxes payable hereunder.

Section 5.6 No Offset. Recipient shall not withhold any payments due under this Agreement in order to offset payments due (or to become due) to Recipient pursuant to this Agreement unless such withholding is mutually agreed to by the Parties in writing or is provided for in the final ruling of a court. Any required adjustment to payments due hereunder will be made as a subsequent invoice.

Section 5.7 Invoice Disputes. In the event of an invoice dispute, the disputing Party shall deliver a written statement to the other Party no later than the date payment is due on the disputed invoice listing all disputed items and providing a reasonably detailed description of each disputed item. Amounts not so disputed shall be deemed accepted and shall be paid, notwithstanding disputes on other items, within the period set forth in Section 5.4. The Parties shall seek to resolve all such disputes expeditiously and in good faith. Provider shall continue performing the Services in accordance with this Agreement pending resolution of any dispute.

Section 5.8 Audit. At the request of Recipient, Provider shall provide to Recipient and its Affiliates reasonable access to Provider's applicable Personnel and records with respect to the amount charged in connection with any Service so that Recipient may confirm that the pass through costs incurred by Provider or, to the extent such Service is provided on an hourly basis, information related to hours worked in connection with such Service, are commensurate with the amount charged to Recipient for such Service. In the event that Recipient believes that the amount charged to Recipient materially exceeds the pass through costs actually incurred by Provider or hours charged in connection with such Service, the Parties shall review such matter in good faith.

ARTICLE VI
TERM AND TERMINATION

Section 6.1 Term of Services. With respect to each of the Services, the term thereof will be for a period commencing as of the date hereof, unless a different date is specified as the commencement date for any applicable Service on Exhibit A or Exhibit B (either, a "Commencement Date"), and shall continue until 12 months following the Commencement Date unless (i) such other date as is specified as the termination date for any applicable Service in this Agreement or on Exhibit A or Exhibit B, as applicable (the "Term") or (ii) earlier terminated pursuant to this Agreement (a "Termination Date").

Section 6.2 Termination of Services. Except as agreed by the Parties in writing or as otherwise stated in the Exhibits, Company may terminate for convenience any Transition Service, and RGHI may terminate for convenience any Reverse Transition Service, upon 30 days' prior written notice of such termination; provided, (a) that, with respect to the Services described in Section G1 of Exhibit A, unless otherwise indicated therein, those Services may not be terminated independently except in accordance with an agreed Migration Plan and, (b) any unamortized costs associated with Provider's purchase of any license or other costs incurred specifically for the purpose of providing the Services hereunder will be passed through to the Terminating Party. Upon termination of any Service pursuant to this Section 6.2, the Terminating Party's obligation

to pay for such Service will cease except any sums accrued or due as of the date of such early termination for Services rendered (which shall include (i) any amounts contemplated by 6.2(b), plus (ii) a pro rata portion of any fees applicable to the current period in which such Services are being performed if the applicable fee is determined on a period by period basis as set forth on Exhibit A or Exhibit B, as applicable). The provisions of this Section 6.2 shall apply *mutatis mutandis* with respect to any assignment of this Agreement subject to Section 10.10(b) and the Parties will negotiate in good faith regarding fee allocations and, if necessary, early termination or partial termination of any Services.

Section 6.3 Termination of Agreement. This Agreement shall terminate when the Termination Date has occurred for all Services. In addition, this Agreement may be terminated by either Party (the "Terminating Party") upon written notice to the other Party (which notice, in case of material breach, shall specify the basis for such claim for breach), if:

(a) the other Party or its Affiliates materially breaches this Agreement and such breach is not cured, to the reasonable satisfaction of the Terminating Party, within thirty (30) days of written notice thereof, it being understood that a good-faith dispute over an invoice or Service shall not constitute a material breach of this Agreement; or

(b) the other Party files for bankruptcy or similar proceeding, is the subject of an involuntary filing for bankruptcy or similar proceeding (not dismissed within sixty (60) days), makes a general assignment of all or substantially all of its assets for the benefit of creditors, becomes or is declared insolvent, becomes the subject of any proceedings (not dismissed within sixty (60) days) related to its liquidation, insolvency, bankruptcy or the appointment of a trustee or a receiver, takes any corporate action for its winding up or dissolution, or a court approves reorganization proceedings on such Party.

Section 6.4 Effect of Termination. Upon any termination or expiration of this Agreement or any Service provided hereunder:

(a) each Party shall, and shall cause its Affiliates to, as soon as practicable, return to the other Party any equipment, books, records, files and other property, not including current or archived copies of computer files, of the other Party, its Affiliates and their respective third-party service providers, that is in the Party's or its Affiliates' possession or control (and, in case of termination of one or more specific Services, only the equipment, books, records, files and other property, not including current or archived copies of computer files, that are used in connection with the provision or receipt solely of such Services and of no other Services); and

(b) the intellectual property license granted by Section 8.2 shall terminate; provided, however, that in the case of termination of a specific Service, such license shall terminate only to the extent such license was necessary for the provision or receipt of such Service and is not necessary for any other Service that has not yet terminated.

Section 6.5 Survival. The following Articles and Sections shall survive the termination or expiration of this Agreement, including the rights and obligations of each Party thereunder: Article I; Article V; this Article VI; Article VII; Article IX; and Article X.

ARTICLE VII
BOOKS AND RECORDS

Section 7.1 TSA Books and Records.

(a) The Parties shall, and shall cause each of their respective Affiliates to, take reasonable steps to maintain books and records of all material transactions pertaining to, and all data used by it, in the performance of the Services (the "TSA Records"). The TSA Records shall be maintained (a) in a format substantially similar to the format such books and records are maintained as of the date hereof, (b) in accordance with any and all applicable Laws and (c) in accordance with the maintaining Party's business record retention policies.

(b) Each Party shall make the TSA Records it maintains available to the other Party and its Affiliates and their respective auditors or other representatives, and in any event to any Governmental Authority, during normal business hours on reasonable prior notice (it being understood that TSA Records that are not stored on a Party's regular business premises will require additional time to retrieve), for review, inspection, examination and, at the reviewing Party's reasonable expense, reproduction. Access to such TSA Records shall be exercised by a Party and its Affiliates and their authorized representatives in a manner that shall not interfere unreasonably with the normal operations of the Party maintaining the TSA Records. In connection with such review of TSA Records, and upon reasonable prior notice, a reviewing Party and its Affiliates shall have the right to discuss matters relating to the TSA Records with the employees of the Party or its Affiliates who are maintaining the relevant TSA Records and providing the Services, as applicable, during regular business hours and without undue disruption of the normal operations of such maintaining and providing Party or its Affiliates. Neither Party shall have access to any TSA Records, and neither Party shall be required to provide access or disclose information, when such access or disclosure would jeopardize any attorney-client privilege or violate any applicable Law (provided that such party shall use commercially reasonable efforts to provide such access or share such information in a manner that would not jeopardize any such privilege or violate any such Law). Each Party's rights under this Section 7.1(b) shall continue for so long as TSA Records are required to be maintained by the other Party under Section 7.1(a).

Section 7.2 Access to Information; Books and Records.

(a) On and after the Commencement Date, RGHI shall, and shall cause its Affiliates to, until the 6th anniversary of the Commencement Date, afford to RCP and its employees and authorized representatives during normal business hours reasonable access to their books of account, financial and other records (including accountant's work papers), information, employees and auditors at the Company's expense to the extent necessary or useful for the Company in connection with any audit, investigation, or dispute or Litigation (other than any Litigation involving a dispute between the Parties) or any other reasonable business purpose relating to the Business; provided that any such access by RCP shall not unreasonably interfere with the conduct of the business of RGHI and its Affiliates.

(b) After the Commencement Date, RCP shall, and shall cause its Affiliates to, until the 7th anniversary of the date on which RGHL or its Affiliates owns less than 10% of the capital stock in RCP, afford to RGHI and its employees and authorized representatives reasonable access to RCP's employees and auditors, retain all books, records (including accountant's work papers), and other information and documents pertaining to the Business in existence on the Commencement Date and make available for inspection and copying by RGHI (at RGHI's expense) during normal business hours, in each case so as not to unreasonably interfere with the conduct of the business of RCP and its Affiliates, such information (A) as may be required by any Governmental Authority, including pursuant to any applicable Law or regulatory request or to prepare or file any Tax related documentation, (B) as may be necessary for RGHI or its Affiliates in connection with their ongoing financial reporting, accounting or other purpose related to RGHI and Company's affiliation immediately prior to the Commencement Date, or (C) as may be necessary for RGHI or its Affiliates to perform their respective obligations pursuant to this Agreement or in connection with any Litigation (other than any Litigation involving a dispute between the parties), in each case subject to compliance with all applicable privacy Laws.

(c) Notwithstanding anything to the contrary in this Section 7.2, the Party granting access under Section 7.2(a) or Section 7.2(b) may withhold any document (or portions thereof) or information (i) that is subject to the terms of a non-disclosure agreement with a third party (provided that such party shall use commercially reasonable efforts to share such information in a manner that would not violate any such obligation), (ii) that may constitute privileged attorney-client communications or attorney work product and the transfer of which, or the provision of access to which, as reasonably determined by such Party's counsel, constitutes a waiver of any such privilege (provided that such party shall use commercially reasonable efforts to share such information in a manner that would not jeopardize any such privilege), or (iii) if the provision of access to such document (or portion thereof) or information, as determined by such Party's counsel, would reasonably be expected to conflict with applicable Laws.

Section 7.3 Non-Disclosure Agreements. To the extent that any third-party proprietor of information or software to be disclosed or made available to a Recipient in connection with performance of the Services requires a specific form of non-disclosure agreement as a condition of such third party's consent to use the same for the benefit of Recipient or to permit the Recipient access to such information or software, each Party shall, or shall cause its relevant Affiliate to, as a condition to the receipt of such portion of the Services, execute (and shall cause its Personnel to execute, if reasonably required) any such form.

Section 7.4 Confidential Information**.**

(a) Each Party agrees to take the necessary steps to protect any Confidential Information of the other Party with at least the same degree of care that the receiving Party uses to protect its own confidential or proprietary information of like kind, but not less than reasonable care. Neither Party shall use the other Party's Confidential Information other than to perform Services pursuant to this Agreement or pursuant to Section 7.2 herein. The obligation of confidentiality hereunder shall not apply to information that (i) was already

in the possession of the receiving Party without restriction on its use or disclosure prior to the receipt of the information from the disclosing Party, (ii) is or becomes available to the general public through no act or fault of the receiving Party, (iii) is rightfully disclosed to the receiving Party by a third party without restriction on its use or disclosure, (iv) is independently developed by employees and/or consultants of the receiving Party who have not had access to the disclosing Party's Confidential Information, (v) is disclosed to the receiving Party after the receiving Party properly gave notice to the disclosing Party that the receiving Party no longer desired to receive any additional Confidential Information from the disclosing Party, or (vi) is required to be disclosed pursuant to judicial or governmental decree or order, provided that the disclosing Party is, where permitted, given prompt written notice of and the opportunity to defend against disclosure pursuant to such decree or order.

(b) Upon any termination or expiration of this Agreement, at the written request of the other Party, each Party shall, and shall cause any of its Affiliates or third-party vendors used in connection with the provision or receipt of the Services to, deliver to the other Party (i) all records and data (including backup tapes, records and related information) received, computed, developed, processed and stored by it hereunder in a readable format reasonably acceptable to the other Party, and (ii) all other Confidential Information of such other Party, but excluding, in each case, (1) any information stored electronically in a back-up file pursuant to the receiving Party's customary electronic back-up practices which may be retained by such Party solely for archival purposes and subject to the continuing confidentiality obligations set forth in herein, and (2) any information obtained pursuant to Section 7.2 herein; provided that, in lieu of delivering all of the foregoing to the other Party, the relevant delivering Party may confirm in writing that it has destroyed, or has caused RGHI or Company, as the case may be, to destroy, all of the foregoing.

ARTICLE VIII
INTELLECTUAL PROPERTY

Section 8.1 Ownership of Intellectual Property. Any intellectual property owned by a Party, its Affiliates or third-party vendors and used in connection with the provision or receipt of the Services, as applicable, shall remain the property of such Party, its Affiliates, or third-party vendors.

Section 8.2 License. Each Party grants, and shall cause its Affiliates to grant, to the other Party and its Affiliates, a royalty-free, non-exclusive, non-transferable, worldwide license, during the Term, to use the intellectual property owned by such Party or its Affiliates (but excluding any trademarks) only to the extent necessary for the other Party and its Affiliates to provide or receive the Services, as applicable. Other than the license granted to a Party and its Affiliates pursuant to the preceding sentence, neither Party nor its Affiliates shall have any right, title or interest in the intellectual property owned by the other Party or its Affiliates.

Section 8.3 Use of RCP Names. By the third anniversary of the Commencement Date, RGHI and its Affiliates will change its corporate names to remove RCP Names and will cease use of RCP Names as trademarks unless such use is pursuant to a separate license agreement with RCP.

ARTICLE IX
REMEDIES

Section 9.1 Indemnification. Subject to the limitations set forth in this Article IX, each Party (the "Indemnifying Party") agrees to indemnify, defend and hold harmless the other Party and its Affiliates and its and their respective directors, officers, employees, agents, representatives, successors and permitted assigns (collectively, the "Indemnified Parties") from and against all Losses imposed upon or incurred by an Indemnified Party to the extent arising out of or resulting from the Indemnifying Party's or its Affiliates' material breach of this Agreement, except to the extent that such Losses are primarily caused by the Indemnified Party.

Section 9.2 Exclusive Remedy. The indemnities provided for in Section 9.1 shall be the sole and exclusive monetary remedy of the Parties hereto and their Affiliates and their respective officers, directors, employees, agents, representatives, successors and permitted assigns for any breach of or inaccuracy in any representation or warranty or any breach, nonfulfillment or default in the performance of any of the covenants or agreements contained in this Agreement, and the Parties shall not be entitled to a rescission of this Agreement or to any further indemnification rights or claims of any nature whatsoever in respect thereof (including any common law rights of contribution), all of which the Parties hereto hereby waive.

Section 9.3 Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, (A) NO PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE MATERIALS AND SERVICES, AS APPLICABLE, PROVIDED HEREUNDER, AND ALL SUCH MATERIALS AND SERVICES, AS APPLICABLE, ARE PROVIDED ON AN "AS IS" BASIS AND (B) EACH PARTY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE.

Section 9.4 Limitations.

(a) IN NO EVENT SHALL ANY PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR LOST PROFITS OR LOST REVENUES THAT THE OTHER PARTY MAY INCUR BY REASON OF ITS HAVING ENTERED INTO OR RELIED UPON THIS AGREEMENT, OR IN CONNECTION WITH ANY OF THE SERVICES PROVIDED HEREUNDER OR THE FAILURE THEREOF, REGARDLESS OF THE FORM OF ACTION IN WHICH SUCH DAMAGES ARE ASSERTED, WHETHER IN CONTRACT OR TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF THE SAME OTHER THAN TO THE EXTENT AWARDED IN A THIRD PARTY CLAIM.

(b) EXCEPT WITH RESPECT TO A MATERIAL BREACH CONSTITUTING WILLFUL MISCONDUCT BY A PROVIDER, REPEAT PERFORMANCE OF A SERVICE BY THE PROVIDER OR REFUND OF THE FEES PAID FOR A SERVICE SHALL BE THE SOLE AND EXCLUSIVE REMEDY FOR BREACH OF THE SERVICES STANDARD FOR SUCH SERVICE.

(c) IN NO EVENT SHALL A PARTY'S LIABILITY IN RELATION TO SERVICES PROVIDED UNDER THIS AGREEMENT EXCEED THE FEES PAID TO IT UNDER THIS AGREEMENT FOR THE SPECIFIC SERVICE THAT RESULTED IN THE LOSS.

Section 9.5 Insurance. Each Party shall obtain and maintain, for the Term (i) commercial general liability insurance with a single combined liability limit of at least $5,000,000 per occurrence, (ii) workers compensation/employer's liability insurance with a liability limit of at least $1,000,000 per occurrence or, if greater, the statutory minimum, and (iii) "all risk" property insurance on a replacement cost basis adequate to cover all assets and business interruption Losses that a Party may suffer in connection with or arising out of this Agreement, subject to policy limits, and in the case of the policies described in clause (i) above, naming the other Party as an additional insured thereunder. Upon request, each Party shall provide the other Party a certificate of insurance as proof of insurance coverage.

ARTICLE X
MISCELLANEOUS

Section 10.1 Force Majeure. In the event that a Party is wholly or partially prevented from, or delayed in, providing one or more Services, or one or more Services are interrupted or suspended, by reason of events beyond their reasonable control, which by their nature were not foreseen, or, if it was foreseen, was not reasonably avoidable, including acts of God, act of Governmental Authority, act of the public enemy or due to fire, explosion, accident, floods, embargoes, epidemics, war, acts of terrorism, nuclear disaster, civil unrest or riots, civil commotion, insurrection, severe or adverse weather conditions, lack of or shortage of adequate electrical power, malfunctions of equipment or software (each, a "Force Majeure Event"), such Party shall promptly give notice of any such Force Majeure Event to Company and shall indicate in such notice the effect of such event on their ability to perform hereunder and the anticipated duration of such event. The Party whose performance is affected by the Force Majeure Event shall not be obligated to deliver or cause to be delivered the affected Services during such period, and the applicable Party shall not be obligated to pay during such period for any affected Services not delivered. During the duration of a Force Majeure Event, the Party whose performance is affected by the Force Majeure Event shall, and shall cause their relevant Affiliates to, minimize to the extent practicable the effect of the Force Majeure Event on their obligations hereunder and use commercially reasonable efforts to avoid or remove such Force Majeure Event and to resume delivery of the affected Services with the least delay practicable.

Section 10.2 Authority. A Provider shall not be permitted to bind a Recipient or any of its Affiliates or enter into any agreements (oral or written), contracts, leases, licenses or other documents (including the signing of checks, notes, bills of exchange or any other document, or accessing any funds from any bank accounts of Recipient or any of its Affiliates) on behalf of Recipient or any of its Affiliates except with the express prior written consent of Recipient, which consent may be given from time to time as the need arises and for such limited purposes as expressed therein.

Section 10.3 Specific Performance. The Parties shall be entitled to seek an injunction to prevent actual or threatened breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, this being in addition to any other remedy to which they are entitled at law or in equity. For the avoidance of doubt, nothing contained herein shall prevent a Party from seeking damages (to the extent permitted herein) in the event that specific performance is not available.

Section 10.4 Status of Parties. This Agreement is not intended to create, nor will it be deemed or construed to create, any relationship between RGHI and its Affiliates, on the one hand, and Company and its respective Affiliates, on the other hand, other than that of independent entities contracting with each other solely for the purpose of effecting the provisions of this Agreement. Neither RGHI and its Affiliates, on the one hand, nor Company and its Affiliates, on the other hand, shall be construed to be the agent of the other.

Section 10.5 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given by delivery in person, by facsimile (followed by overnight courier), Email (followed by overnight courier), or by registered or certified mail (postage prepaid, return receipt requested) to the other Party hereto as follows:

if to Company,

Reynolds Consumer Products Inc.
1900 W. Field Court
Lake Forest, IL 60045
Attention: David Watson
Email: David.Watson@reynoldsbrands.com

if to RGHI,

Reynolds Group Holdings Inc.
1900 W. Field Court
Lake Forest, IL 60045
Attention: Joseph Doyle
Email: Joseph.Doyle@RankNA.com

with a copy (which shall not constitute notice) to:

Reynolds Group Holdings Limited
Level Nine
148 Quay Street
P.O. Box 3515
Auckland, New Zealand
Attention: Helen Golding
Email: helen.golding@rankgroup.co.nz

or such other address, Email or facsimile number as such party may hereafter specify for the purpose by notice to the other Party hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or

communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt. Notwithstanding the forgoing, normal business communications with respect to the Services may be given by the Parties by whatever means are usual and appropriate for such types of communications.

Section 10.6 Entire Agreement. This Agreement, including all Exhibits, constitute the sole and entire agreement and supersede all prior agreements, understandings and representations, both written and oral, between the Parties with respect to the subject matter hereof provided, however, nothing in this Agreement shall supersede any other agreement or understanding entered into in connection with the initial public offering of the Company.

Section 10.7 Waivers and Amendments; Non-Contractual Remedies; Preservation of Remedies. No amendment, modification or discharge of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the Party against whom enforcement of the amendment, modification, discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the Party granting such waiver in any other respect or at any other time. Neither the waiver by any of the Parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the Parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder. The rights and remedies herein provided are cumulative and none is exclusive of any other, or of any rights or remedies that any Party may otherwise have at law or in equity.

Section 10.8 Governing Law, etc.

(a) This Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the Laws of the State of Illinois, without giving effect to its principles or rules of conflict of laws, to the extent such principles or rules are not mandatorily applicable by statute and would permit or require the application of the Laws of another jurisdiction. Each of the Parties hereto submits to the jurisdiction of any state or federal court sitting in Lake County, Illinois, in any action or proceeding arising out of or relating to this Agreement, agrees to bring all claims under any theory of liability in respect of such action or proceeding exclusively in any such court and agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. Each of the Parties hereto waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety or other security that might be required of any other party with respect thereto. Each Party hereto agrees that service of summons and complaint or any other process that might be served in any action or proceeding may be made on such Party by sending or delivering a copy of the process to the Party to be served at the address of the Party and in the manner provided for the giving of notices in Section 10.5. Nothing in this Section 10.8, however, shall affect the right of any Party to serve legal process in any other manner permitted by Law. Each Party hereto agrees that a final, non-appealable judgment in any action or proceeding so brought shall be conclusive and may be enforced by suit on the judgment or in any other manner provided by Law.

(b) The Parties each hereby waive, to the fullest extent permitted by Law, any right to trial by jury of any claim, demand, action, or cause of action (i) arising under this Agreement or (ii) in any way connected with or related or incidental to the dealings of the Parties hereto in respect of this Agreement or any of the transactions related hereto, in each case whether now existing or hereafter arising, and whether in contract, tort, equity, or otherwise. The Parties to this Agreement each hereby agree and consent that any such claim, demand, action, or cause of action shall be decided by court trial without a jury and that the parties to this Agreement may file an original counterpart of a copy of this Agreement with any court as written evidence of the consent of the Parties hereto to the waiver of their right to trial by jury.

Section 10.9 Further Assurances. Each Party covenants and agrees that, without any additional consideration, it shall execute and deliver, or shall cause its Affiliates to execute and deliver, such documents and other papers and shall take, or shall cause its Affiliates to take, such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated by this Agreement.

Section 10.10 Assignment. No Party may assign this Agreement, or any of its rights or obligations under this Agreement (whether by operation of Law or otherwise), without the prior written consent of the other Party; provided, that notwithstanding the foregoing, any Party may assign any or all of its rights or obligations under this Agreement without the consent of the other Party to: (a) its Affiliates, (b) a purchaser of: (i) one or more of its Affiliates that is a Provider or Recipient under this Agreement; (ii) all or substantially all of the business or assets of one or more of its Affiliates that is a Provider or Recipient under this Agreement; or (iii) all or substantially all of such Party's business or assets, or (c) its financing sources solely for collateral purposes, in each case so long as the assignee agrees to be bound by the terms of this Agreement. Any permitted assignment shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and permitted assigns. Any attempted assignment of this Agreement, or the rights or obligations herein, not in accordance with the terms of this Section 10.10 shall be void. If an RGHI Affiliate Provider is no longer affiliated with RGHI due to the sale of all or substantially all of the business or assets of such Affiliate to a third party, RGHI shall cause such Affiliate to agree to continue providing the Services that it is providing at the time of such transaction consistent with the terms of this Agreement for the remaining Term.

Section 10.11 Multi-party Contracts. The Company and RGHI will use all commercially reasonable efforts to obtain within 24 months following the Commencement Date, from the counterparty to each Multi-party Contract any needed consent to separate the portion of such contract that relates to the goods or services purchased from or supplied to the Business under such Multi-party Contract (including but not limited to assignment or partial assignment of such contracts to the Company or RGHI or its Affiliates). The contract constituting the separated portion of any Multi-party Contract that relates to the Business as described in the preceding sentence shall be assumed by and become the responsibility of the Company. Each Party making purchases or receiving services under any Multi-party Contract shall indemnify and hold harmless the other Party and its Affiliates for any claims, damages, etc. arising out of such purchases or receipt of services.

Section 10.12 Letters of Credit and Guarantees. RGHI and the Company shall use commercially reasonable efforts to cause all RGHI Letters of Credit and RGHI Guarantees, in each case with respect to the Company, to be canceled or terminated, as of the Commencement Date such that RGHI and its Affiliates shall be released and have no further obligation or liability (contingent or otherwise) under such RGHI Letters of Credit or RGHI Guarantees (to the extent applicable to the Company) from and after the Commencement Date. With respect to any RGHI Letters of Credit or RGHI Guarantees not terminated at the Commencement Date, RCP shall use commercially reasonable efforts to replace, cash collateralize or otherwise "backstop" such RGHI Letters of Credit and RGHI Guarantees at or prior to the Commencement Date. Following the Commencement Date, RCP shall indemnify RGHI and its Affiliates against any and all losses suffered or incurred in connection with the Company under the RGHI Guarantees or RGHI Letters of Credit.

Section 10.13 Severability. If any term or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, all other provisions of this Agreement shall remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon any such determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 10.14 Interpretation.

(a) The Parties acknowledge and agree that, except as specifically provided herein, they may pursue judicial remedies at law or equity in the event of a dispute with respect to the interpretation or construction of this Agreement.

(b) This Agreement shall be interpreted and enforced in accordance with the provisions hereof without the aid of any canon, custom or rule of law requiring or suggesting constitution against the Party causing the drafting of the provision in question.

Section 10.15 No Third-Party Beneficiaries. Other than the rights granted to the Indemnified Parties under Section 9.1, nothing in this Agreement is intended or shall be construed to give any person, other than the Parties hereto, their successors and permitted novates, transferees and assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein.

Section 10.16 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or scanned pages shall be effective as delivery of a manually executed counterpart to this Agreement.

Section 10.17 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 10.18 Order of Precedence. In the event of any conflict between the provisions of any Exhibit and the other provisions of this Agreement, the other provisions of this Agreement shall govern, except to the extent that the relevant provision of the Exhibit expressly identifies the provision of this Agreement it supersedes and expressly indicates that such provision is being superseded or this Agreement expressly indicates that the Exhibit governs.

[Signature page follows]

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

Reynolds Group Holdings Inc.

By: _____
Name:
Title:

Reynolds Consumer Products Inc.

By: _____
Name:
Title:

EXHIBIT A

Transition Services

Section G1: IT Services[1][2]

	Service Name	Description of Service	Term	Monthly Fee (USD) – Commencement Date – 2020	Monthly Fee (USD) – 2021
G1.1	***IT Service Category: Major Applications – Hosting and Infrastructure Support***				
	Hosting – shared and dedicated environments	*Provision of infrastructure and hosting services at RGHI's data center for shared hardware and hardware dedicated to RCP's systems. Services include:* • *Access to and use of the noted applications groups* • *Disaster Recovery* • *Administration* • *Security management* • *Help Desk services* • *Backup/restore management* *Service also includes provision of equivalent access to this set of RCP applications in alternative data center(s) upon migration to RCP's new operating environment(s), and/or equivalent services from alternative providers, managed under this Agreement by RGHI.*	*All services in group 24 months from the Commencement Date* *Termination can only be as per an agreed Migration Plan*		
G1.1.1	Autosys	Job Scheduling and Monitoring System.		$10,109	TBD

1 Where reference is made to RGHI's data center, this means either (1) the Lincolnshire facility at 605 Heathrow Drive, (2) the Lake Forest backup data center at 1900 West Field Court, or (3) the Cloud Service provider selected to house certain infrastructure operations from time to time during the Term and migration.

2 Fees for 2021 are not yet finalized, and will be negotiated in good faith by RGHI and RCP during the course of 2020.

	Service Name	Description of Service	Term	Monthly Fee (USD) – Commencement Date – 2020	Monthly Fee (USD) – 2021
G1.1.2	Citrix/Virtual Desktops	VDI environment for remote application routing and access.		$5,834	TBD
G1.1.3	Collaboration – Email, Instant Messaging & Teams	MS Exchange email Service, Outlook integration, MS teams, and Skype for Business Instant Messaging/Collaboration.		$32,155	TBD
G1.1.4	CRM	RCP's instance of the MS Dynamics Customer Relationship Management System.		$2,014	TBD
G1.1.5	Easy Software	Easy payments software suite for Accounts Payable management.		$5,073	TBD
G1.1.6	EDI Infrastructure	Electronic data Interchange services for transactional interfacing with vendors and suppliers.		$4,094	TBD
G1.1.7	HP Dazel	SAP printing control subsystem.		$5,918	TBD
G1.1.8	Hyperion/HFM	Hyperion Financial Management system for consolidation and reporting.		$4,028	TBD
G1.1.9	JDA	JDA suite of applications for planning and transportation management.		$4,815	TBD
G1.1.10	RightFax	Electronic fax messaging system.		$2,292	TBD
G1.1.11	RPA/AA	Automation Anywhere ecosystem for Robotic Process Automation.		$11,861	TBD
G1.1.12	Sabrix	Thomson Reuters Sales and Use Tax calculation Engine.		$7,597	TBD
G1.1.13	SharePoint	MS SharePoint environment for collaboration, file-sharing and intranet delivery.		$9,649	TBD
G1.1.14	Maintenance Connect	Plant Maintenance system.		$4,316	TBD

	Service Name	Description of Service	Term	Monthly Fee (USD) – Commencement Date – 2020	Monthly Fee (USD) – 2021
G1.2	***IT Service Category: Support Services***				
	General support services	*Overall services associated with delivery of general support from RGHI to RCP, including components such as:* • *Administration of vendors* • *Procurement* • *Network management* • *Infrastructure administration and management*	*All services in group 24 months from the Commencement Date* *Termination can only be as per an agreed Migration Plan*		
G1.2.1	Site Security Application Services	Management of various site security systems, badge processing, video surveillance.		$1,583	TBD
G1.2.2	Desktop & Site Management	Centralized management services for facility environments: patching, backup, package delivery, imaging, RF device support.		$39,079	TBD
G1.2.3	IT Security Provisioning	Management of security provisioning for all applications and access, including SSO and AD.		$18,479	TBD
G1.2.4	IT Procurement	Handling of procurement activities for existing and new vendors, including contract management, SOW completion, PR and PO processing.		$9,233	TBD
G1.2.5	IT Finance	Payments, allocation processing, invoicing & reporting, and budgeting for existing and new vendors.		$11,113	TBD
G1.2.6	Voice and Cellular Phone Support	General provisioning and management of VOIP services and CRU mobility with vendors.		$12,137	TBD
G1.2.7	Microsoft Tenant Management	Interaction with the MS cloud services agency for MS tenancy management and administration in Azure.		$15,637	TBD
G1.2.8	AWS Tenant Management	Interaction with the AWS cloud services agency and LemonGrass for AWS tenancy management and administration in Amazon.		$36,835	TBD

	Service Name	Description of Service	Term	Monthly Fee (USD) – Commencement Date – 2020	Monthly Fee (USD) – 2021
G1.2.9	LAN & WAN Management	Provisioning, monitoring, troubleshooting and administration of all long distance and local network facilities, including AT&T (and other) MPLS, DMVPN, Routers and Switches, and Wi-Fi APs.		$97,353	TBD
G1.2.10	Governance	Overall management of services delivered under this Agreement.		$41,820	TBD
G1.2.11	SAP Basis	Support for SAP technical environment, configuration, and database management.		$61,082	TBD
G1.2.12	SQL Management	Management of environments for miscellaneous MS SQL databases/systems.		$32,720	TBD
G1.2.13	Base Infrastructure	All management and administration of core datacenter environments in support of all centralized applications and utility delivery, including all services associated with the Lincolnshire Data Center, Cloud Hosting environments, third party administration and support services.		$220,775	TBD
G1.3	***IT Service Category: General Pass-thru / Variable Costs***				
	Variable and Pass-thru costs	*Service fees for consumption or license maintenance as levied by vendors to RGHI based on RCP utilization of such services or licenses.*	*All services in group 24 months from the Commencement Date* *Termination will occur as services are contracted directly with RCP*	*All services costs are pass-through of actual third-party costs incurred in providing the service*	
G1.3.1	WAN Services – Site Network	Vendor (AT&T and other) costs for usage of MPLS and ISP services.			
G1.3.2	Voice and Cellular Phone Service	Local, Long Distance, & Mobile usage costs.			

	Service Name	Description of Service	Term	Monthly Fee (USD) – Commencement Date – 2020	Monthly Fee (USD) – 2021
G1.3.3	Multi-function device (**MFD**) Services	Lexmark usage and consumables costs.			
G1.3.4	Hosting – Microsoft	O365 – Microsoft usage			
G1.3.5	Licensing—Microsoft	Microsoft license maintenance (SA) and subscriptions.			
G1.3.6	Licensing – SAP	SAP license maintenance – R/3			
G1.3.7	Licensing—SAP BI/MII	SAP license maintenance – BI (Hana), MII (IFP)			
G1.3.8	Licensing—Oracle/HFM	Oracle license maintenance for Hyperion Financial Manager.			
G1.3.9	Licensing – JDA	JDA Transportation and Planning license maintenance fees.			
G1.3.10	Licensing – GEP	GE Procurement system license fees.			
G1.3.11	Licensing – Novatus	Novatus contract management system license fees.			
G1.3.12	Licensing – Thingworxs	Thingworks (PTC) license fees (IFP).			
G1.3.13	Licensing – Winshuttle	Winshuttle (MDM management) license fees.			
G1.3.14	Licensing – SpecRight	Specright license fees.			
G1.3.15	Domain Names	Domain name annual registration fees.			
G1.3.16	IT Procurement – Fees	Hardware/Software/Services procured on behalf of RCP.			
G1.3.17	Licensing – Other	Kronos, Minitab, & KnowBe4, plus other miscellaneous minor licenses maintenance fees.			

	Service Name	Description of Service	Term	Monthly Fee (USD) – Commencement Date – 2020	Monthly Fee (USD) – 2021
G1.4	***IT Service Category: Project Management / IT Consulting[3]***				
G1.4.1	Discretionary Enhancements	Any system changes or enhancements to the technical operating environment (excluding, for the avoidance of doubt, Migration Services described in G1.4.4) requested by RCP during the Term require agreement between RGHI and RCP. Provision of this Service is subject to the availability of internal resource within RGHI and agreement between the Parties regarding the scope of the changes/enhancements. Where this Service is used, the rates will be as follows: • Project Manager at $150 / hour • Senior Engineer at $200 / hour • Junior Engineer at $150 / hour	24 months from the Commencement Date	Quoted hourly rate with respect to the particular service to be provided Plus the pass-through of actual third-party costs incurred in providing the service	Quoted hourly rate with respect to the particular service to be provided Plus the pass-through of actual third-party costs incurred in providing the service
G1.4.2	IT Consulting Services	Provision of advice, guidance and recommendations on new services (excluding, for the avoidance of doubt, Migration Services described in G1.4.4), new technical solutions related to applications and infrastructure, etc. Provision of this Service is subject to availability of internal resource within RGHI and agreement between the Parties. Where this Service is used, the rates will be as follows: • IT Consulting Services at $200 / hour	24 months from the Commencement Date	Quoted hourly rate with respect to the particular service to be provided Plus the pass-through of actual third-party costs incurred in providing the service	Quoted hourly rate with respect to the particular service to be provided Plus the pass-through of actual third-party costs incurred in providing the service

3 RGHI shall provide the first 3,500 hours of internal labor pursuant to G1.4.1, G1.4.2, G1.4.3, and G1.4.4 at no charge; thereafter, the stated rates shall apply.

	Service Name	Description of Service	Term	Monthly Fee (USD) – Commencement Date – 2020	Monthly Fee (USD) – 2021
G1.4.3	Project Management Services	Provision of Project Management services and resources and technical resources required to deliver projects agreed between RGHI and RCP (excluding, for the avoidance of doubt, Migration Services described in G1.4.4). Provision of this Service is subject to availability of internal resource within RGHI and agreement between the Parties. Where this Service is used, the rates will be as follows: • Project Manager at $150 / hour • Senior Engineer at $200 / hour • Junior Engineer at $150 / hour Any costs for engaging external resources will be passed through to RCP.	24 months from the Commencement Date	Quoted hourly rate with respect to the particular service to be provided Plus the pass-through of actual third-party costs incurred in providing the service	Quoted hourly rate with respect to the particular service to be provided Plus the pass-through of actual third-party costs incurred in providing the service
G1.4.4	Migration Services	Project services to manage and execute the extraction of IT operations from the RLS managed environment(s) and enable RCP to exit this TSA, as defined in the TSA Migration Services in Section 2.1.(c). For the avoidance of doubt, this service includes all internal RGHI labor and third-party costs associated with project management and execution of all separation activities, and any license or technology acquisitions required to facilitate the establishment of RCP's new, stand-alone IT environment and the handover of same to RCP for future management. This Service cannot be terminated until such time as separation has concluded to the satisfaction of RGHI and RCP.	24 months from the Commencement Date	Quoted hourly rate with respect to the particular service to be provided Plus the pass-through of actual third-party costs incurred in providing the service	Quoted hourly rate with respect to the particular service to be provided Plus the pass-through of actual third-party costs incurred in providing the service

	Service Name	Description of Service	Term	Monthly Fee (USD) – Commencement Date – 2020	Monthly Fee (USD) –2021
G1.4.5	Crossover Services	Provision of desktop support and core applications services for scenarios where people not transferred are required to temporarily assist in RCP to augment transferred peoples' expertise or capacity, notwithstanding both parties' intentions to have these areas of support self-sufficient inside RCP by commencement date.	12 months from the Commencement Date	No fee	No fee

Section G2: HR Services

	Service Name	Description of Service	Term	Fee (USD)

G2.1	General HR – Ancillary Services	RGHI will be available to provide transition of support and agreements and provide support for meetings to share information and answer any questions with current vendors regarding current practices, including but not limited to support for separation of 401(K), H&W, and pension plans.
		
		The parties shall cooperate in good faith regarding preparation of 5500s and ACA reporting for plan year 2019, with responsibility for filings as follows:
		
		• 401(K) 5500s
		  • RGHI shall file for existing Employee Savings Plan (non-bargaining) and Employee Savings Plan for Pactiv Bargaining
		  • RCP shall file for Employee Savings Plan for Reynolds Bargaining and any new Company savings plans established as of the Commencement Date
		• Pension and H&W 5500s
		  • RGHI shall file for Reynolds Services Inc. Group Benefit Plan, Pactiv Retirement Plan, Reynolds Services Inc. Group Benefit Plan for Bargaining Unit Employees, Pactiv Retiree Health & Welfare Plan, Reynolds Group Pension Plan, Evergreen Packaging Pension Plan
		  • RCP shall file for new Company plans established as of the Commencement Date
		• ACA Reporting
		  • RCP shall coordinate filing
			12 months from the Commencement Date	No fee

G2.2	General HR – Administrative Services	Administrative Assistant, HR Benefits will be available (50%) to provide services to RCP under a Secondment Agreement. Services will includes all as currently provided, including: preparation of informational bulletins related to benefits, vendor billing administration, tracking vendor performance guarantees, and general administrative duties.	The earlier of (i) December 31, 2020 or (ii) the cessation of current Administrative Assistant's employment	$3,300 per month Plus pass-through of actual third-party costs incurred in providing the service

	Service Name	Description of Service	Term	Fee (USD)

G2.3	Payroll Services – Systems and Support	Provision of payroll services comprising:
		• Management of the relationship and contract with ADP and Kronos
		• Software and hosting access to Kronos
		• Ongoing support of interface files with ADP and third-party vendors consistent with current practices, including management and oversight of existing vendor feeds
		• Access to ADP and Kronos so that RCP may undertake:
		  • Processing salaried and hourly payrolls
		  • New hire reporting
		  • Year-end tax reporting and preparation for employees (if applicable)
		  • Payroll tax return preparation
		  • Access to HRIS reporting capabilities (where applicable and with existing vendors/feeds)
		RCP will be responsible for generating their own reports from the payroll systems. RGHI and its Affiliates will not permit the payroll provider to create any additional programmed reports that are not part of the menu of standard reports available to RGHI.
			December 31, 2020	$11,000 per month
				$29,150 per month for ADP
				$3,700 per month for Kronos software (hosting fees included in Section G1)
				Plus pass-through of actual third-party costs incurred in providing the service

G2.4	Payroll Services – Consulting/Project Management Services	Provision of access to RGHI Director of Payroll & HRIS and Senior HRIS Payroll Analyst in relation to carve-out efforts to establish RCP instance of ADP.	December 31, 2020	$100 per person / per hour Plus pass-through of actual third-party costs incurred in providing the service
G2.5	General HR –Employment Services	Employment of current Director, Supplier Product and Process Quality – Europe & Asia, including, without limitation, provision of human resources support, payroll processing, and benefits coverage.	The earlier of (i) the transfer of Director, Supplier Product and Process Quality – Europe & Asia to RCP or (ii) March 31, 2020	Pass-through of actual costs and third-party costs incurred in providing the service

Section G3: Financial Services

	Service Name	Description of Service	Term	Fee (USD)
G3.1	Financial Services – Technical Accounting	Provision of support and handover services for technical accounting including: • Assistance with accounting guidance in relation to specific transactions (i.e. lease review, casualty loss, customer contract review, restructures, etc.), including research (consistent with past practices) for review by RCP management and auditors	12 months from the Commencement Date	$125 per person / per hour Plus pass-through of actual third-party costs incurred in providing the service

G3.2	Financial Services – Lease Administration	Provision of support and handover services for lease administration including:
		• Lease accounting and lease administration services consistent with current practices and procedures, including but not limited to:
		  • Mass data uploads leveraging ETL templates into Costar system (10+ lease records)
		  • Upload of discount rates (as prepared by RCP)
		  • Preparation of monthly and quarterly reports
		  • System controls in relation to RGHI instance of Costar, backup, exchange rates review, facilitation of user security review, cost center/hierarchy maintenance, etc.
		  • Assistance with system issue resolution
		• Copies of all records, standard reports, and schedules, etc. from the Costar system for purposes of adoption of the lease accounting standard
			The earlier of (i) 12 months from the Commencement Date or (ii) the date RCP obtains its own instance of Costar	$125 per person / per hour
				$1,235 per month for Costar
				Plus pass-through of actual third-party costs incurred in providing the service

G3.3	Financial Services – Benefits Reporting Support[4]	Administration, execution, and handover of financial reporting and accounting services for reports required for financial reporting related to medical and benefits costs including vendor cost tracking, and other HR/benefits related accounting matters consistent with past practices.	18 months from the Commencement Date	$3,365 per month Plus pass-through of actual third-party costs incurred in providing the service

4 Process RE quarterly true-ups will change during the Term from reconciling claims by headcount to where incurred and will reconcile back to the Commencement Date.

	Service Name	Description of Service	Term	Fee (USD)
G3.4	Financial Services – Treasury Administration Handover Services	Reasonable provision of treasury administration handover services, including: • Assistance with transitioning signatories, online access and other bank account transition considerations if required (including but not limited to establishment of new banking platforms)* • Assistance with transition of administration of letters of credit and any other assumed indebtedness* • Assistance with transition of corporate credit card programs administration • Assistance with completion of development of the structure and documentation of intercompany loan agreements that are in process at the time of the Commencement Date • Models and historical cash management reports/materials • Assistance with cash settlements, movements related to trade balances, intercompany loans, dividends, cash forecasting, and banking platforms • Assistance with development of daily cash report preparation processes • Assistance with development of escheatment reporting and filing processes • Training on review of bank-generated reports • Assistance with transition of wire transfer administration (i.e. authorization for tokens) • Backup assistance with wire transfer administration and approvals • Support for day to day cash management activities consistent with past practices RGHI and RCP shall work together in good faith to finalize transition of the services denoted with an asterisk (*) above within 3 months from the Commencement Date.	12 months from the Commencement Date	$95 per person / per hour Plus pass-through of actual third-party costs incurred in providing the service

	Service Name	Description of Service	Term	Fee (USD)
G3.5	Financial Services – Reporting Applications Support Services	Provision of access to and/or application support services for FIS Integrity. Service is subject to ability to apply security so RCP cannot view or access RGHI data in those systems.	12 months from the Commencement Date	$10,100 per month Plus pass-through of actual third-party costs incurred in providing the service
G3.6	Financial Services – External Reporting[5]	RGHI External Reporting team will be available to provide background support and consulting services related to RCP's external reporting requirements.	18 months from the Commencement Date	$$22,500 per month Plus pass-through of actual third-party costs incurred in providing the service
G3.7	Financial Services – Compliance Advisory Services	Provision of support services of RGHI Senior Compliance Manager related to SAP access and security risks (SOX 404).	The earlier of (i) 12 months from the Commencement Date or (ii) the cessation of current Senior Compliance Manager's employment	$8,000 per month Plus pass-through of actual third-party costs incurred in providing the service
G3.8	Financial Services – SOX Compliance	In connection with RCP's obligation to comply with the Sarbanes-Oxley Act of 2002, provision of reasonable support and performance of key controls related to financial reporting as agreed between the Parties.	24 months from the Commencement Date	$200 per person / per hour Plus pass-through of actual third-party costs incurred in providing the service

5 RCP needs to obtain its own instance of Wdesk (or similar system) to prepare and file annual and quarterly filings as of the Commencement Date.

	Service Name	Description of Service	Term	Fee (USD)
G3.9	Treasury Services – FBAR Reporting	Provision of Foreign Bank and Financial Accounts ("FBAR") reporting services.	12 months from the Commencement Date	$80 per person / per hour Plus pass-through of actual third-party costs incurred in providing the service
G3.10	Treasury Services – Hedging	Provision of support and handover services related to commodity hedging activities, including: • Determining hedge quantities and timing • Execution of hedging trades in Kiodex • Tracking open hedge positions • Facilitate provision of month-end journal entries	12 months from the Commencement Date	$105 per person / per hour $8,500 per month for Kiodex Plus pass-through of actual third-party costs incurred in providing the service

Section G4: Internal Audit and Tax Services

	Service Name	Description of Service	Term	Fee (USD)
G4.1	Audit and IT Audit Handover Services	Provision of audit handover services, including information relating to IT internal audit processes and procedures of RCP. Reasonable provision of: • Training of new RCP staff and existing documentation for all relevant processes • Assistance, related to the services included in this section • Transition handover support as required	12 months from the Commencement Date	$175 per person / per hour Plus pass-through of actual third-party costs incurred in providing the service
G4.2	Tax Services – Direct (US and Canada)	Provision of support services for tax accounting and direct tax filings, including preparation and filing of federal and state tax returns. For the avoidance of doubt, preparation and filing of returns may be completed by a third-party service provider consistent with current practice. Reasonable handover tax services, including: • The transfer by Sellers of any and all historical information and explanations necessary for Transferred Entities to completely and accurately prepare and file the tax returns related to post-Closing period. • Identification of all information sources, including information gathering formats, for the collection of information required for Transferred Entities to prepare and file the tax returns related to post-Closing periods. • Providing continued support in providing historical documentation and explanations in relation to tax audits currently in process. • Providing working papers and support related to accounting for income taxes. • Providing historical transfer pricing studies and working papers. • Assistance with registrations and/or electronic payment registrations as needed.	24 months from the Commencement Date	$100,275 per month Pass-through of actual third-party costs incurred in providing the service

	Service Name	Description of Service	Term	Fee (USD)
G4.3	Tax Services – Indirect (US and Canada)	Provision of support services for indirect tax filings, including preparation and filing of Sales and Use, VAT, Personal, and Property tax returns. For the avoidance of doubt, preparation and filing of returns may be completed by a third-party service provider consistent with current practice. Reasonable handover services, including: • Providing copies of all existing documentation required for Property tax and Sales and Use tax compliance, including resale and manufacturer's exemption certificates as well as continued services in support of processes to obtain, review, and maintain necessary documentation. • Facilitating and assisting in the creating of documentation required for tax compliance. • The transfer by Sellers of any and all historical information and explanations necessary for Transferred Entities to completely and accurately prepare and file the tax returns related to post-Closing period. • Identification of all information sources, including information gathering formats, for the collection of information required for Transferred Entities to prepare and file the tax returns related to post-Closing periods. • Providing continued support in providing historical documentation and explanations in relation to tax audits currently in process. • Assistance with registrations and/or electronic payment registrations as needed. Providing working papers to support calculations related to the accounting for income taxes.	24 months from the Commencement Date	$13,285 per month Plus pass-through of actual third-party costs incurred in providing the service
G4.4	Tax Services – China	Provision of handover services related to returns and filings with retained third-party service provider.	12 months from the Commencement Date	$140 per person / per hour Plus pass-through of actual third-party costs incurred in providing the service

	Service Name	Description of Service	Term	Fee (USD)
G4.5	Tax Services – Audit Support	Provision of support for state and federal income tax audits, including: • Providing documentation and explanations to the examiners • Preparing necessary paperwork related to any filings or settlements	24 months from the Commencement Date	$175 per person / per hour Plus pass-through of actual third-party costs incurred in providing the service
G4.6	Tax Services – Transfer Pricing Consulting Services	Provision of support and handover services for transfer pricing compliance and other matters related to RCP Canada/US transactions and sales services. Transfer Pricing support in connection with audits and Country by Country (CbC) and customs reporting will be available on an ad hoc basis and charged at an hourly rate.	The earlier of (i) 24 months from the Commencement Date or (ii) the cessation of current Director of Transfer Pricing's employment	$1,500 per month $140 per person / per hour for ad hoc support Plus pass-through of actual third-party costs incurred in providing the service

Section G5: Procurement Services

	Service Name	Description of Service	Term	Fee (USD)
G5.1	Procurement – Support and Handover Services	Provision of support and handover services to assist RCP (consistent with past practices) in obtaining supply and or service agreements, including assisting with negotiations (which shall not include legal advice, except to the extent included pursuant to the legal transition services schedule) in relation to: • Small parcel freight (UPS, FedEx) • Energy (i.e. natural gas, electricity, etc.) • ISN • IT multifunction devices (printers, etc.) • Raw materials – Poly (i.e. $110M+ PS, $50M+ PP, $40M+ PET, $20M Master Batch and Fillers) • Raw materials – Packaging (corrugate, pallets, poly bags, molded fiber and related chemicals) • MRO • IT procurement • Vendor mall administration (i.e. support of Ariba Catalogues) • GEP IT extract	12 months from the Commencement Date	$100 per person / per hour Plus the pass-through of actual third-party costs incurred in providing the service
G5.2	Procurement – Freight Procurement Services	Provision of freight procurement services to arrange shipments from RCP vendors to RCP facilities (consistent with current practices) in accordance with the processes and procedures set forth in the Warehousing and Freight Services Agreement between Pactiv LLC and Reynolds Consumer Products LLC effective November 1, 2019.	12 months form the Commencement Date	Services billed through the Warehousing and Freight Services Agreement dated November 1, 2019

Section G6: Travel and Expense Services

	Service Name	Description of Service	Term	Fee (USD)
G6.1	Travel and Expense Services – Concur & Travel Booking Assistance	Provision of: • Access to discounted airline, hotel, and rental car rates • Services relating to travel booking assistance and ticket issuance by World Travel • Access to the Concur system for travel booking, filing expense reports, processing and payment of expense reports, and reimbursement for cash expenses	12 months from the Commencement Date	**Monthly Fee**: $19,000 Plus pass-through of actual third-party costs incurred in providing the service
G6.2	Travel and Expense Services – Corporate Travel Card	Administration of corporate travel credit card program and purchasing "ProCard" credit card program for cards provided by HSBC and used by RCP employees solely for business travel and business expenses. Services include: • Procurement of new cards and cancellation of existing cards • Facilitating changes to credit limits • Audits of employee expense reports for compliance with RCP's policies using current audit tools and practices • Other services consistent with current practices RCP employees may continue to use their current HSBC credit cards under existing rules and limits. At or before the end of the Term, all cards must either be transferred to accounts established by RCP with HSBC or cancelled.	12 months from the Commencement Date	**Monthly Fee**: $7,000 Plus pass-through of actual third-party costs incurred in providing the service (including, for the avoidance of doubt, all charges incurred on the credit cards)

Section G7: Trade Compliance

	Service Name	Description of Service	Term	Fee (USD)

G7.1	Trade Compliance Handover Services	Provision of access to RGHI's and its Affiliates' trade compliance team who will provide ongoing support, background information and handover support services for the current trade compliance function, including:
		• Assistance in data handover of historical import and export transactions and classification databases
		• Familiarization with trade compliance procedures, in particular:
		  • Export controls
		  • Transition supplier communication regarding Importer Security Filings
		  • Reporting and filing services, but will not require Sellers to carry out reporting or filing on behalf of the Transferred Entities
		  • Understanding of current issues, including routine filings, prior disclosures, protests, remediations and assistance declarations
		• Coordination of shipments with brokers (import and export)
		• Classifications
		• Preparation of customs documentation
		• Denied party screening
		• Monthly import and export reports
		• FTA support
			12 months from the Commencement Date	No fee
				
				Plus pass-through of actual third-party costs incurred in providing the service

Section G8: Legal and Other Regulatory Support Services

	Service Name	Description of Service	Term	Fee (USD)

G8.1	General Services – Legal Support	Provision of support and handover services with respect to all legal services provided by RGHI and its Affiliates', including:
		• Information, relevant documents and knowledge transfer related to the legal matters and legal functions, including:
		  • in-house legal services, including advisory, regulatory, reporting and filing services
		  • employment and labor relations
		• Review of contracts relating to Information Technology, real estate, general procurement, and advertising and intellectual property matters
		• Ongoing information and assistance in connection with all other matters for which employees of RGHI or its Affiliates were providing legal services prior to the Commencement Date
		• Access to contract management database (Conga Novatus)
			24 months from the Commencement Date	$190 per person / per hour for lawyers and $70 per person / per hour for paralegals
				Plus pass-through of actual third-party costs incurred in providing the service (i.e. external legal firm fees to compile data for RCP)

G8.2	General Services – Intellectual Property	Provision of handover and support services related to RCP's intellectual property portfolio, including: • Facilitation of ongoing portfolio maintenance (i.e. renewal decisions and required filings) • Management and oversight of patent and trademark prosecution activities (i.e. office action responses) • Filing new registrations and applications consistent with past practices • Assistance, information and knowledge transfer related to the legal matters and legal functions of RCP, including transferring to RCP, in such electronic or hard copy format as reasonably requested by RCP, any and all documentation in the possession of RGHI, its Affiliates or their outside legal counsel, relating to the prosecution, enforcement, registration and application of any owned intellectual property, including all information in any intellectual property docket maintained by RGHI, its Affiliates or their outside legal counsel	The earlier of (i) 24 months from the Commencement Date or (ii) the cessation of current Administrator of IP Operations/Paralegal's employment	$190 per person / per hour for lawyers and $70 per person / per hour for paralegals Plus pass-through of actual third-party costs incurred in providing the service (i.e. external legal firm fees to compile data for RCP)

	Service Name	Description of Service	Term	Fee (USD)
G8.3	General Services – Corporate Secretarial	Provision of corporate secretarial duties and government filing assistance.	To the earlier of (i) 24 months from the Commencement Date or (ii) the cessation of current Corporate Governance Paralegal's employment	$190 per person / per hour for lawyers, $45 per hour for Corporate Governance Paralegal Plus pass-through of actual third-party costs incurred in providing the service (i.e. external Co-Sec/legal firm fees)
G8.4	General Services – SEC Reporting and Compliance	RGHI Legal Counsel will be available to provide assistance and support related to reporting and filing requirements with the U.S. Securities and Exchange Commission and corporate governance matters.	24 months from the Commencement Date	$10,000 per month Plus pass-through of actual third-party costs incurred in providing the service
G8.5	General Services – Regulatory	Provision of handover services and support related to compliance with FDA regulations, food-contact product rules, product compliance, and other regulatory and compliance schemes.	12 months from the Commencement Date	No fee

	Service Name	Description of Service	Term	Fee (USD)
G8.6	General Services – Real Estate	Provision of support and handover services related to real estate administration (consistent with past practices), including but not limited to: • Coordination of insurance, environmental, and legal functions to review leases, prepare annual reports, etc. • Reconciliation of annual lease expenses • Assistance with resolution of facility issues (i.e. repairs, etc.) • Review and monitoring of tenant improvement allowances • Assistance with establishing new facilities or closing existing facilities • Support for year-end reporting	12 months from the Commencement Date	$1,630 per month Plus pass-through of actual third-party costs incurred in providing the service

EXHIBIT B

Reverse Transition Services

Section GR1: IT

	Service Name	Description of Service	Term	Fee (USD)
GR1.1	IT – Crossover Services	Provision of desktop support and core applications services for scenarios where people transferred are required to temporarily assist in RGHI to augment non-transferred peoples' expertise or capacity, notwithstanding both parties' intentions to have these areas of support self-sufficient inside RGHI by commencement date.	12 months from the Commencement Date	No fee

Section GR2: HR

	Service Name	Description of Service	Term	Fee (USD)

GR2.1	General HR – Ancillary Services	RCP will be available to provide transition of support and agreements and provide support for meetings to share information and answer any question with current vendors regarding current practices, including but not limited to support for separation of 401(K), H&W, and pension plans.
		
		The parties shall cooperate in good faith regarding preparation of 5500s and ACA reporting for plan year 2019, with responsibility for filings as follows:
		
		• 401(K) 5500s
		  • RGHI shall file for existing Employee Savings Plan (non-bargaining) and Employee Savings Plan for Pactiv Bargaining
		  • RCP shall file for Employee Savings Plan for Reynolds Bargaining and any new Company savings plans established as of the Commencement Date
		• Pension and H&W 5500s
		  • RGHI shall file for Reynolds Services Inc. Group Benefit Plan, Pactiv Retirement Plan, Reynolds Services Inc. Group Benefit Plan for Bargaining Unit Employees, Pactiv Retiree Health & Welfare Plan, Reynolds Group Pension Plan, Evergreen Packaging Pension Plan
		  • RCP shall file for new Company plans established as of the Commencement Date
		• ACA Reporting
		  • RCP shall coordinate filing for 2019 plan year
			12 months from the Commencement Date	No fee

GR2.2	General HR – ACA and HSA Training	Provision of handover and support services related to ACA reporting and HSA funding and reporting.	12 months from the Commencement Date	No fee Plus pass-through of actual third-party costs incurred in providing the service

Section GR3: Regulatory

	Service Name	Description of Service	Term	Fee (USD)
G3.1	General Services – Regulatory	Provision of handover services and support related to compliance with FDA regulations, food-contact product rules, product compliance, and other regulatory and compliance schemes.	12 months from the Commencement Date	No fee

Section GR4: Procurement

	Service Name	Description of Service	Term	Fee (USD)
GR4.1	Procurement Handover Services	Provision of handover services to assist RGHI in establishing relationships with vendors for the following services: • Fleet program • Office supplies • T&E (including rental car, airline, World Travel, and Concur) Provision of purchasing support and handover services for poly bags.	12 months from the Commencement Date	$100 per person / per hour Plus pass-through of actual third-party costs incurred in providing the service

Section GR5: Trade Compliance

	Service Name	Description of Service	Term	Fee (USD)
GR5.1	Trade Compliance Handover Services	Provision of access to RCP's and its Affiliates' trade compliance team who will provide ongoing support, background information and handover support services for the current trade compliance function, including: • Assistance in data handover of historical import and export transactions and classification databases • Familiarization with trade compliance procedures, in particular: o Export controls o Transition supplier communication regarding Importer Security Filings o Reporting and filing services, but will not require Sellers to carry out reporting or filing on behalf of the Transferred Entities o Understanding of current issues, including routine filings, prior disclosures, protests, remediations and assistance declarations • Coordination of shipments with brokers (import and export) • Classifications • Preparation of customs documentation • Denied party screening • Monthly import and export reports • FTA support	12 months from the Commencement Date	No fee Plus pass-through of actual third-party costs incurred in providing the service

EXHIBIT C

Service Coordinators

To be designated in writing from time to time by each party.

Exhibit 10.23

AMENDED AND RESTATED LEASE AGREEMENT

Amended and Restated Lease Agreement (this "**Lease**") dated as of January 1, 2020, between **PACTIV LLC**, a Delaware limited liability company ("**Landlord**"), and **REYNOLDS CONSUMER PRODUCTS LLC**, a Delaware limited liability company ("**Tenant**").

RECITALS

A. Landlord is the owner of the building located in Conway Park at Lake Forest Office Park and commonly known as 1900 West Field Court, Lake Forest, Illinois (the "**Building**") and the land on which the Building is located (the "**Land**") and all appurtenances belonging to or appertaining to the Land. The Building and the Land together are sometimes referred to herein collectively as the "**Property**."

B. Tenant has been leasing office space and purchasing other office-related services from Landlord pursuant to an Amended and Restated Facility Use Agreement effective as of January 1, 2012 (the "**Original Agreement**").

C. This Lease amends, restates, supersedes and replaces the Original Agreement.

WITNESSETH

NOW THEREFORE, Landlord and Tenant agree as follows:

1. Recitals. The foregoing recitals are acknowledged to be accurate and are incorporated herein by reference.

2. Premises Demised.

a. Landlord does hereby rent and lease to Tenant and Tenant does hereby rent and lease from Landlord, for the Term (as hereinafter defined) and upon the terms and conditions set forth in this Lease, approximately 70,400 rentable square feet of space located on the first, third and fourth floors of the Building (the "**Premises**"). The Premises are depicted on "**Exhibit A**" attached hereto and made a part hereof.

b. Tenant shall have, as appurtenant to the Premises, the non-exclusive right, to use in common others (i) the common roadways, sidewalks, Building entrances, lobbies, corridors, passenger elevators, and service elevators for purposes of access to the Building and the Premises from the public road now known as "Field Court", (ii) the parking facility adjacent to the Building for the purpose of parking of motor vehicles by Tenant and Tenant's employees and invitees on a first-come, non-reserved basis (except as agreed by Landlord and Tenant), (iii) the common area restrooms located on the lower level of the Building, and (iv) any other common area amenities designated from time to time by Landlord for the use and enjoyment of the tenants and other occupants of the Building (e.g., cafeteria space (if any), patio dining area, exercise facilities, training rooms, benches, lawns and jogging paths, to the extent any of the foregoing are available and designated by Landlord as common areas); and no other appurtenant rights or easements. Tenant's rights hereunder shall be subject to Landlord's Rules and Regulations governing the use of the Property from time to time made by Landlord, as the same may be changed from time to time in accordance with the terms of Section 21 below.

c. Landlord reserves the right, from time to time: (i) to install, use, maintain, repair, replace and relocate for service to the Premises and other parts of the Building or Property or either, pipes, ducts, conduits, wires and appurtenant fixtures, wherever located in the Premises or any other portion of the Property; (ii) to make any repairs and replacements to the Premises which Landlord may deem necessary; (iii) in connection with any excavation made upon the Property or adjacent land owned by other parties, to enter, and to license others to enter, upon the Premises to do such work as the person causing such excavation deems necessary to preserve the walls and other portions of the Building from injury or damage and to support the same; (iv) to change, increase, reduce, restrict, limit or eliminate, from time to time: (A) the number, composition, dimensions or location of any parking areas (as long as same is in compliance with Legal Requirements), (B) the signs, service areas, cafeteria areas, patios, exercise facilities, training rooms, walkways; roadways, or other common area, or (C) the services and programs offered, if any, in the wellness and fitness facility of the Building; (v) to change the Building name and/or the Building address (provided that Landlord will provide Tenant at least 12 months prior notice before changing the Building address); or (vi) to make alterations or additions to the Building or any other portion of the Property, in its sole discretion, provided, however, that Tenant's access to and use and enjoyment of the Premises shall not be materially and adversely impacted by any of the foregoing and provided further that Landlord shall not materially change or limit Tenant's access to the cafeteria, wellness and fitness facility or training rooms on the lower level without Tenant's consent, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord shall have the right to impose reasonable restrictions on Tenant's access to certain common areas of the Building for health and safety reasons (such as delivery areas, kitchen, mechanical rooms, telephone rooms and electrical closets), and other portions of the Building used and occupied principally by Landlord or other tenants. For the avoidance of doubt, Tenant shall not be permitted to have access to or the right to use any common areas, conference rooms, training rooms or video conference rooms on the second floor of the Building. Tenant shall be permitted to use those conference rooms, training rooms or video conference rooms on the lower level and first and fourth floors of the Building to the extent that such areas are designated by Landlord as common area amenities, such areas are available through the online Building reservation system, and Tenant reserves such spaces through such system.

d. Either party shall have the right, exercisable from time to time during the Term, to remeasure the rentable area of the Premises and/or the Building. Any such measurement shall be calculated based upon the ANSI/BOMA Z65.1 – 1996 method of measurement for useable space in office buildings (or, if such method is superseded or no longer generally used for the measurement of office space, the newer or most comparable measurement method shall be used). In the event such remeasurement results in a difference between in the rentable area of the Premises and/or the Building as so remeasured and the rentable area of the Premises and/or the Building as set forth in this Lease, the party taking such measurements shall notify the other party and this Lease shall be amended to reflect the actual rentable area as so remeasured, and all charges or rights under this Lease that are based upon square footage shall be adjusted accordingly, and the parties shall enter into an amendment memorializing any such adjustment. In the event of a disagreement regarding the remeasurement, the matter shall be determined by a licensed architect mutually agreed by Landlord and Tenant.

3. Condition.

a. AS-IS Condition. Tenant acknowledges that Landlord has not made any representations or warranties with respect to the Property, the Building or the Premises or as to any of the Transferred FF&E (as defined below) except to the extent expressly set forth herein. Tenant accepts the Premises and any such Transferred FF&E in its existing "AS IS", "WHERE IS" condition and "WITH ALL FAULTS" as of the Commencement Date, subject to all applicable zoning, municipal, county and state laws, ordinances and regulations, and subject further to any easements, covenants and/or restrictions of record and any Superior Interests (as defined below), and Tenant accepts this Lease subject thereto and to all matters disclosed thereby and by any exhibits attached hereto. Tenant further acknowledges that neither Landlord nor Landlord's agent or agents has made any representation or warranty as to present or future suitability of the Premises or any other portion of the Property for the conduct of Tenant's business.

b. Transferred FF&E. Subject to Section 31(b), Landlord and Tenant acknowledge and agree that, to the extent Landlord holds any right, title or interest in and to any of the furniture, movable trade fixtures, and/or equipment which are located at or within the Premises as of the Commencement Date (the "**Transferred FF&E**"), Landlord hereby transfers, conveys and releases to Tenant all such Existing FF&E, free and clear of all liens, charges, claims and encumbrances but otherwise without any express or implied warranties and specifically excluding any warranties of fitness for a particular purpose.

4. Term.

a. Initial Term. The initial term of this Lease (the "**Initial Term**") shall commence on January 1, 2020 (the "**Commencement Date**") and shall end on December 31, 2029, unless sooner terminated as provided herein.

b. Renewal Term. Provided that (i) Tenant is not in default (beyond applicable notice and cure periods) under this Lease at the time of the exercise of such option or as of the commencement of the applicable Renewal Term (as defined below), (ii) Tenant occupies the entire Premises, and (iii) Tenant has not assigned or transferred this Lease (except as may be permitted pursuant to Section 12(b) of this Lease), Tenant shall have two options (each a "**Renewal Option**") to renew this Lease, each for one additional term of five years (each a "**Renewal Term**"). Each such Renewal Option shall be exercisable by Tenant's delivery to Landlord of an irrevocable written notice of intention to exercise the Renewal Option ("**Renewal Exercise Notice**"). A Renewal Exercise Notice shall be given not more than 15 months nor less than 12 months prior to the end of the Initial Term or the first Renewal Term, as applicable. In the event this Lease is at any time (whether now or hereafter) subject to an over-lease or master lease ("**Over-Lease**"), Tenant's right to exercise a Renewal Option shall be contingent and conditioned upon (x) the existing term of the Over-Lease expiring on a date which is on or after the expiration of the applicable Renewal Term then being exercised pursuant to such Renewal Option, or (y) the availability to Landlord of, and Landlord's exercise of, a renewal or extension

option under the Over-Lease that would extend the term of the Over-Lease to at least encompass the Renewal Term. Accordingly, within 90 days following the date on which Landlord receives a timely Renewal Exercise Notice, Landlord shall notify Tenant in writing as to whether the term of the Over-Lease (as the same may have been extended) expires on or after the expiration of the applicable Renewal Term or, in the alternative, whether no Over-Lease is then in effect. If Landlord's notice confirms that the term of the Over-Lease (as the same may have been extended) expires on or after the expiration of the applicable Renewal Term or, in the alternative, that no Over-Lease is then in effect, such notice shall be deemed a "**Renewal Acceptance Notice**". If Landlord's notice indicates that this Lease is subject to an Over-Lease and the term of such Over-Lease has not been extended and will expire prior to the expiration of the applicable Renewal Term, such notice shall be deemed a "**Renewal Rejection Notice**". If Landlord fails to deliver to Tenant either a timely Renewal Acceptance Notice or Renewal Rejection Notice within said 90-day time period, Landlord shall, for purposes hereof, be deemed to have delivered to Tenant a timely Renewal Rejection Notice. In the event that Landlord delivers (or is deemed to have delivered) a Renewal Rejection Notice hereunder, Tenant's Renewal Option shall be null and void and of no force and effect. If Tenant fails to timely exercise its first Renewal Option or if such Renewal Option is deemed null and void as set forth above, Tenant's second Renewal Option shall likewise be null and void and of no further force and effect. Notwithstanding anything to the contrary, Tenant's delivery of a timely Renewal Exercise Notice shall not obligate Landlord to extend the term of any Over-Lease to encompass the applicable Renewal Term then being exercised by Tenant.

c. The Initial Term plus any Renewal Terms shall be referred to as the "**Term**."

5. Rent.

a. Base Rent. Beginning on the Commencement Date and continuing throughout the balance of the Term, Tenant agrees to pay base rent (the "**Base Rent**") during the Term in accordance with the terms hereof. Base Rent shall be:

i. $11.00 per rentable square foot of the Premises per annum for the period beginning on the Commencement Date through December 31, 2020.

ii. $12.00 per rentable square foot of the Premises per annum for the period January 1, 2021 through December 31, 2021.

iii. Commencing January 1, 2022, Base Rent shall be increased by 1.5% per annum on January 1 of each year, which increase shall be on a compounding basis.

Base Rent shall be payable in equal monthly installments in advance on the first day of each calendar month during the Term in lawful money of the United States of America. During the first and last months of the Term of this Lease, if the Term commences on a date other than the first day of the month or ends on a date other than the last day of a month, the Rent (as defined below) shall be prorated based upon the actual number of days in such month. At the request of either party, the non-requesting party shall execute and deliver an amendment to this Lease with a rent schedule outlining the amount of Base Rent payable during each year of the Term.

b. Additional Rent. In addition to Base Rent, (i) Tenant shall also pay and discharge as and when due and payable all other amounts, liabilities, obligations and impositions which Tenant assumes and agrees to pay under this Lease, and (ii) in the event of any failure on the part of Tenant to pay any of those items referred to in clause (i) above, Tenant will also promptly pay and discharge every fine, penalty, interest and cost which may be added for non-payment or late payment of such items (the payments required by clauses (i) and (ii) of this Section are referred to collectively as the "**Additional Rent**"), and Landlord shall have all legal, equitable and contractual rights, powers and remedies provided either in this Lease or by statute or otherwise in the case of non-payment of Additional Rent as in the case of non-payment of Base Rent. When used herein, the term "**Rent**" shall refer to both Base Rent and Additional Rent.

c. Renewal Terms.

i. If (A) Tenant shall exercise a Renewal Option and (B) Landlord shall deliver a Renewal Acceptance Notice, the Base Rent per rentable square foot for the Premises for such Renewal Term shall be equal to the Prevailing Market (hereinafter defined) rate per rentable square foot for the Premises. Base Rent during such Renewal Term shall increase, if at all, in accordance with the increases assumed in the determination of the Prevailing Market rate. Notwithstanding the foregoing or anything else to the contrary, the annual Base Rent due and payable at the commencement of each Renewal Term shall not be less than the annual Base Rent in effect immediately prior to such Renewal Term. Base Rent during any Renewal Term shall continue to be payable in monthly installments in accordance with the terms and conditions of this Lease. Notwithstanding the foregoing or anything else in this Lease to the contrary, in the event this Lease is subject to an Over-Lease, the Base Rent rate per leasable square foot of the Premises during each Renewal Term will under no circumstance be any less than the Base Rent rate per leasable square foot payable by Landlord under the Over-Lease during the same period.

ii. Tenant shall pay Additional Rent (including, without limitation, Tenant's Share of Operating Expenses, as such terms are hereinafter defined) during the each applicable Renewal Term in accordance with this Lease. The manner and method in which Tenant pays Tenant's Share of Operating Expenses and all other expenses or charges to be paid to maintain, repair and insure the Premises shall be some of the factors considered in determining the Prevailing Market rate for the applicable Renewal Term.

iii. For purposes hereof, "Prevailing Market" shall mean the arm's length fair market annual rental rate per rentable square foot under renewal leases and amendments entered into on or about the date on which the Prevailing Market is being determined hereunder for space comparable to the Premises in the Building and office buildings comparable to the Building in the North Suburban Chicago office building submarket. The determination of Prevailing Market for the applicable Renewal Term shall take into account the creditworthiness of the tenant and any material economic differences between the terms of this Lease and any comparison lease, such as rent abatements, free rent, tenant improvement

allowances, construction costs, leasing commissions and other concessions for renewal leases, and the manner, if any, in which the tenant pays, or the landlord under any such lease is reimbursed, for operating expenses and taxes. Notwithstanding the foregoing, space leased under any of the following circumstances shall not be considered to be comparable for purposes hereof: (i) the lease term is for less than 5 years or more than 7 years, (ii) the space is encumbered by the option rights of another tenant or (iii) the space has an awkward or unusual shape or configuration. The foregoing is not intended to be an exclusive list of space that will not be considered to be comparable.

iv. Within 30 days after Landlord's delivery of a Renewal Acceptance Notice, Landlord shall give Tenant notice of Landlord's determination of the Prevailing Market rate for the applicable Renewal Term ("**Landlord's Determination Notice**"). If Tenant disagrees with Landlord's determination of the proposed Prevailing Market rate during the applicable Renewal Term, Tenant shall so notify Landlord within 10 Business Days after receipt of Landlord's Determination Notice. If Tenant fails to timely respond to Landlord's Determination Notice, Tenant shall be deemed to have rejected Landlord's determination of the Prevailing Market rate. If Tenant rejects or is deemed to have rejected Landlord's determination of the Prevailing Market rate, Landlord and Tenant shall use good faith commercially reasonable efforts to agree on the Prevailing Market rate for the applicable Renewal Term. If Landlord and Tenant do not so agree on the Prevailing Market rate within 30 days after the date of Landlord's Determination Notice, Landlord and Tenant shall submit the determination of the Prevailing Market rate for the applicable Renewal Term to binding arbitration. In such event, within a period of 10 Business Days following the expiration of the aforesaid 30 day period, Landlord and Tenant shall each appoint a reputable commercial leasing broker as arbitrator, each of whom shall have at least 10 years' active and current experience in the commercial real estate industry and the North Suburban Chicago office leasing market with working knowledge of current rental rates and leasing practices related to office buildings similar to the Building. Such an appointment shall be signified in writing by each party to the other. If either party shall fail to appoint an arbitrator within a period of 10 Business Days after written notice from the other party to make such appointment, the sole arbitrator appointed shall make the determination of the Prevailing Market rate for the applicable Renewal Term in the same manner provided below as though it were the third arbitrator. Each of Landlord and Tenant shall furnish each of the two arbitrators with a copy of their respective final determination of the Prevailing Market rate for the applicable Renewal Term. If both parties appoint an arbitrator, the arbitrators so appointed shall attempt, within a period of 10 Business Days to arrive at a determination of the Prevailing Market rate for the applicable Renewal Term, and failing such determination, the arbitrators so appointed shall, within 10 Business Days after their appointment, appoint a third arbitrator, who is a reputable commercial leasing broker and has at least 10 years' active and current experience in the commercial real estate industry and in the North Suburban Chicago office leasing market with working knowledge of current rental rates and leasing practices related to office buildings similar to the Building. The third arbitrator shall proceed with all reasonable dispatch to determine whether Landlord's final determination of the Prevailing Market rate for the applicable Renewal Term or Tenant's final determination of the Prevailing Market rate for the applicable Renewal Term most closely reflects the Prevailing Market rate for the applicable Renewal Term. In no event shall the arbitrator have the right (i) to average the final determinations of the Prevailing Market rate for the applicable Renewal Term of Landlord and Tenant or (ii) to choose another rate. The decision of such third arbitrator shall in any event be

rendered within 30 days after his/her appointment, or within such other period as the parties shall agree, and such decision shall be in writing and in duplicate, one counterpart thereof to be delivered to each of the parties. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association (or its successor) and applicable Legal Requirements and this Section, which shall govern to the extent of any conflict between this Section and the rules of the American Arbitration Association, and the decision of the third arbitrator shall be reviewable only to the extent provided by the rules of the American Arbitration Association and shall otherwise be binding, final and conclusive on the parties. Each party shall pay the fees of the arbitrator it chose and the fees of its counsel and the losing party shall pay for the fees of the third arbitrator and the reasonable and necessary expenses incident to the proceedings; provided however, if a party fails to appoint an arbitrator, the fees of the sole arbitrator shall be split between the two parties equally.

d. Operating Expenses.

i. Payment of Operating Expenses. During the Term, Tenant shall pay to Landlord, as Additional Rent, an amount equal to Tenant's Share (as defined below) of any and all Operating Expenses (as defined below) paid or incurred by Landlord in any calendar year (such amount being referred to herein as "**Tenant's CAM Payment**"). Tenant's CAM Payment for each calendar year shall be reasonably estimated from time to time by Landlord and communicated by written notice to Tenant. Tenant agrees to pay such estimated amount in equal monthly installments on the first day of each calendar month. If Landlord reasonably determines that Landlord's estimate of Tenant's CAM Payment for any particular calendar year was too low, then Landlord shall have the right to give a new statement of the estimated Tenant's CAM Payment due from Tenant for such calendar year or the balance thereof and to bill Tenant for any deficiency which may have accrued during such calendar year, and Tenant shall thereafter pay monthly estimated payments based on such new statement. Notwithstanding anything to the contrary, Tenant's CAM Payment shall not exceed (a) $11.00 per rentable square foot of the Premises per annum for the period beginning on the Commencement Date through December 31, 2020, and (b) $12.00 per rentable square foot of the Premises per annum for the period from January 1, 2021 through December 31, 2021.

ii. Definitions. As used herein, the following terms shall have the meanings set forth below:

(1) "**Operating Expenses**" shall mean all costs and expenses incurred by Landlord for the administration, cleaning, maintenance, operation, repair and replacement of the Property, including, without limitation, all costs, expenditures, fees and charges for: (A) operation, maintenance, repair, and replacement of the Property or any portion thereof (including maintenance, repair and replacement of glass, the roof covering or membrane, and landscaping), provided that the cost of any capital expenditures shall be amortized over the useful life of the such improvement, which may extend beyond the Term; (B) utilities and services furnished generally to all tenants of the Building (including telecommunications facilities and equipment, recycling programs and trash removal from the common spaces of the Building), and associated supplies and materials; (C) compensation (including employment taxes and fringe benefits) for persons who perform duties in connection with the operation, management, maintenance and repair of the Property; (D) property, liability, rental income and

other insurance relating to the Property, and expenditures for deductible amounts paid under such insurance; (E) licenses, permits and inspections for the Building (but excluding those for any tenant improvements); (F) complying with any Legal Requirements pertaining to the Property; (G) a property management fee for the services of an independent third party property manager or, if such property management is provided directly by Landlord or its employees, a property management fee no greater than that which a commercially reasonable independent third party property manager would charge in the region (not to exceed 2.5% of gross rental charges); (H) accounting, legal and other professional services incurred in connection with the operation of the Property and the calculation of Operating Expenses; (I) contesting the validity or applicability of any Legal Requirements that may affect the Property (provided any such contest is made in good faith); (J) the Building's or Property's share of any shared or common area maintenance fees and expenses; (K) Taxes; and (L) any other cost, expenditure, fee or charge, whether or not hereinbefore described, which in accordance with generally accepted property management practices consistently applied would be considered an expense of managing, operating, maintaining and repairing the Property. Operating Costs for any calendar year during which average occupancy of the Building is less than 100% shall be calculated based upon the Operating Costs that would have been incurred if the Building had an average occupancy of 100% during the entire calendar year.

(2) "**Taxes**" means: all real property taxes and general, special or district assessments or other governmental impositions, of whatever kind, nature or origin, imposed on or by reason of the ownership or use of the Property; service payments in lieu of taxes and taxes and assessments of every kind and nature whatsoever levied or assessed in addition to, in lieu of or in substitution for existing or additional real or personal property taxes on the Property or the personal property described above; and the reasonable cost of contesting by appropriate proceedings the amount or validity of any taxes, assessments or charges described above.

(3) "**Tenant's Share**" shall be calculated on the basis of a fraction the numerator of which is the rentable square footage of the Premises and the denominator of which is the rentable square footage of the Building (which, as of the date hereof is 200,548 rsf). Accordingly, as of the Effective Date, Tenant's Share is equal to 35.10%.

iii. Operating Expense Adjustments. Within 120 days after the expiration of each calendar year, or as soon thereafter as is practicable, Landlord shall submit a statement to Tenant showing the actual Operating Expenses for such calendar year and Tenant's CAM Payment with respect to such Operating Expenses. If for any calendar year, Tenant's estimated monthly payments exceed Tenant's CAM Payment for such calendar year, then Landlord shall give Tenant a credit in the amount of the overpayment toward Tenant's next monthly payments of Tenant's CAM Payment. In the event this Lease has expired, any such overpayment shall be paid directly to the Tenant within 30 days of the issuance of such statement. If for any calendar year Tenant's estimated monthly payments are less than Tenant's CAM Payment for such calendar year, then Tenant shall pay the total amount of such deficiency to Landlord within 30 days after receipt of the statement from Landlord. Landlord's and Tenant's obligations with respect to any overpayment or underpayment of Tenant's CAM Payment shall survive the expiration or termination of this Lease.

iv. Audit Right. Landlord shall maintain reasonably complete records of all costs and expenses which comprise the Operating Expenses payable hereunder by Tenant to Landlord. Tenant shall have the right, through itself or its representatives, at Tenant's sole cost and expense, to examine, copy and audit such records at all reasonable times at Landlord's office during Business Hours. Landlord's calculation of Tenant's CAM Payment as set forth on any of Landlord's annual statements shall be conclusive and binding upon Tenant unless, within 90 days after the date Landlord delivers said statement, Tenant shall notify Landlord that it disputes the correctness of any charge set forth on the statement. Tenant shall have a period of 60 days to complete any audit it desires to undertake. Such audit, however, shall not be undertaken by any person or entity whose compensation is determined on a contingency basis. If the result of the audit conducted by Tenant or its representative determines that Landlord has overcharged Tenant, Landlord shall promptly refund to Tenant any overpayment, and if the audit determines that Landlord has undercharged Tenant, Tenant shall, within 30 days thereafter, pay to Landlord any amount owed with respect thereto. If the result of the audit conducted by Tenant or its representative determines that Landlord has overcharged Tenant by more than 10%, Landlord shall reimburse Tenant for the costs of the audit.

e. Payment of Rent. All Rent shall be payable at the office of Landlord at 1900 West Field Court, Lake Forest, Illinois 60045, or to such other person or at such other address as directed by written notice from Landlord to Tenant. All Rent shall be due and payable without notice, demand, abatement, offset, or right of recoupment, unless otherwise specifically provided for in this Lease, and Tenant's covenant to pay Rent is an independent covenant under this Lease. In no due date is specified in this Lease for any Additional Rent required to be paid hereunder, such Additional Rent shall be paid as billed within 30 days after notice, request or demand by Landlord for payment of the applicable amount due. For administrative convenience of Landlord and Tenant, Landlord may invoice Tenant for Rent using a monthly rent invoice, provided, however, that the failure of Landlord to render a rent invoice to Tenant shall not relieve Tenant of its obligation to pay Rent when the same is due and payable under this Lease.

f. Late Payments. If Tenant fails to pay when due any Base Rent or Additional Rent which Tenant is obligated to pay under the terms of this Lease, the unpaid amounts shall bear interest at the Interest Rate. In addition, Tenant recognizes that late payment of any Base Rent or Additional Rent will result in administrative expense to Landlord, the extent of which additional expense is extremely difficult and economically impractical to ascertain. Tenant therefore agrees that if Base Rent or Additional Rent is not paid when due and payable pursuant to this Lease, a late charge shall be imposed in an amount equal to 5% of the unpaid Base Rent or Additional Rent. The amount of the late charge to be paid by Tenant shall be reassessed and added to Tenant's obligation for each successive month until paid. The provisions of this Section 5(e) in no way relieve Tenant of the obligation to pay Base Rent or other payments on or before the date on which they are due, nor do the terms of this Section 5(e) in any way affect Landlord's remedies pursuant to Section 23 of this Lease in the event said Base Rent or other payment is unpaid after date due.

6. Utilities; Services.

a. Utilities. Landlord shall make a reasonable determination of Tenant's share of the cost of all light, power, natural gas, sewer service, water, telephone, refuse disposal and other utilities and related services supplied to the Premises, and Tenant shall pay such share to Landlord together with Tenant's payments of Additional Rent hereunder. In the event Tenant has any utility separately metered, Tenant shall pay, directly to the appropriate supplier, the cost of such utility supplied to the Premises as and when the same shall be due and payable.

b. Services. At Landlord's option, the costs of any amenities or services provided by Landlord to tenants or other occupants of the Building (including, without limitation, with respect to any fitness facility, cafeteria, conference center, or copy center) shall be included in the Operating Expenses and Tenant's shall reimburse Landlord for Tenant's Proportionate Share of thereof in accordance with Section 5(c) above. In the alternative, Landlord shall have the option to charge Tenant separately for any such services based on standard Building rates as reasonably determined by Landlord, and, in such event, Tenant shall reimburse Landlord for its usage thereof within 30 days after Landlord's delivery of its invoice thereof.

c. Subject to Section 18 below, Landlord shall not be liable to Tenant, and Tenant's obligations under this Lease shall not be abated, in the event of any interruption or inadequacy of any utility or service supplied to the Premises.

7. Use. Tenant shall have the right to use and occupy the Premises for general office use and any other uses incidental thereto so long as such incidental uses (a) comply with applicable Legal Requirements (as defined in Section 10 below), (b) are consistent with the nature of and the character of the Building, and (c) are consistent with the uses of the Building by Landlord. Tenant shall not have the right to use the roof or any portion thereof for any purpose whatsoever, including the installation or use of any microwave dishes or other communications radio antenna or other transmission or reception equipment without Landlord's prior written consent.

8. Compliance with Legal Requirements. Tenant shall comply with all applicable Legal Requirements insofar as they pertain to Tenant's use of the Premises, including, without limitation, cases where Legal Requirements mandate repairs, alterations, changes or additions to the Premises caused by Tenant's use of the Premises during the Term. In the event Tenant's obligation to comply with Legal Requirements requires any "Alterations" (as defined in Section 11), then such Alterations shall be made in accordance with the provisions of Section 11 of this Lease. "**Legal Requirements**" shall mean the requirements of (a) all applicable laws, statutes, ordinances, codes, rules, orders and regulations of all federal, state, county, and municipal governments, and any and all of their departments, commissions, bureaus and agencies, including without limitation all "Environmental Laws" (as defined in Section 9 hereof) and all accessibility laws, statutes, codes, rules, orders and regulations, including, without limitation, the Americans with Disabilities Act, as amended, (b) all rules, regulations and restrictions from time to time established by the Conway Park at Lake Forest Owners' Association, (c) any covenants, conditions and restrictions affecting the Property, including, without limitation, those contained in the Declaration recorded as Document No. 2552398, as amended by First Amendment to Annexation Agreement, recorded August 9, 1996 as Document No. 3860724, and as further amended by the First Amendment to Declaration of Easements and Protective Covenants, Conditions and Restrictions for Conway Park at Lake Forest, recorded September 24, 1997 as Document No. 4024067, and (d) all rules, orders and regulations of the Board of Fire Underwriters or equivalent association for the prevention of fires.

9. Environmental Compliance.

a. Tenant accepts, assumes and agrees to pay, perform or otherwise discharge all liabilities and obligations arising under any Environmental Laws ("**Assumed Environmental Liabilities**") with respect to conditions, events, occurrences, practices, releases of Hazardous Substances or other acts or omissions after the commencement of the Original Agreement (the "**Original Commencement Date**") and through the Term hereunder relating to the use of the Premises and operations conducted by Tenant and its employees, guests, invitees, contractors, vendors, agents and representatives at the Premises.

b. Tenant agrees to comply with all applicable Environmental Laws with respect to conditions, events, occurrences, practices, releases of Hazardous Substances or other acts or omissions as they pertain to the manner in which Tenant uses the Premises during the Term hereunder. As used herein, "**Hazardous Substance(s)**" means any flammables, explosives, radioactive materials, hazardous wastes or materials, toxic wastes or materials, or other similar substances, petroleum products or derivatives or any substance subject to regulation by or under any federal, state and local laws and ordinances relating to the protection of the environment or the keeping, use or disposition of environmentally hazardous materials, substances, or wastes, presently in effect or hereafter adopted, all amendments to any of them, and all rules and regulations issued pursuant to any of such laws or ordinances (collectively "**Environmental Laws**"). In the event Tenant's obligation to comply with Environmental Laws requires any Alterations, then such Alterations shall be made in accordance with the provisions of Section 11 of this Lease. Upon the expiration or earlier termination of the Lease, Tenant shall provide proof reasonably satisfactory to Landlord of compliance with all Environmental Laws.

c. Tenant shall not, and shall not direct, suffer or permit any of its agents, contractors, employees, subtenants, licensees or invitees (each, a "Tenant Entity") to, at any time handle, use, manufacture, generate, store, transport, treat, release or dispose of in or about the Premises or the Property any Hazardous Substances; provided, however, that Tenant's use in the Building of cleaning supplies, copying fluids, other office and maintenance supplies and other substances normally and customarily used by tenants of office space shall not be deemed a violation of this Section 9(c) if such use is in compliance with all Legal Requirements.

d. Landlord's and Tenant's obligations under this Section 9 shall survive the expiration or earlier termination of this Lease.

10. Repairs and Maintenance.

a. Landlord shall, subject to the terms of Section 13 and Section 18 hereof and subject to reimbursement from Tenant's CAM Payment (as applicable), perform diligently, promptly and in a good and workmanlike manner all maintenance, repairs and replacements to: (i) the structural components of the Building, including without limitation the roof, roofing system, exterior walls, bearing walls, support beams, foundations, columns, exterior doors and windows, and lateral support to the Building; (ii) the roof, roofing system, curtain walls and

windows, if required to assure watertightness; (iii) any base building systems (including, without limitation, plumbing, fire sprinklers, heating, ventilation and air conditioning systems; electrical and mechanical lines up to the point of connection to the Premises; (iv) the elevators serving the Building; and (v) any other common areas of the Property and Building. Subject to Tenant's obligations under this Lease (including, without limitation, pursuant to Section 8 above), Landlord shall maintain the Property in compliance with all Legal Requirements. Tenant shall promptly report in writing to Landlord any defective condition known to Tenant which Landlord is required to repair.

b. Tenant at Tenant's expense but under the direction of Landlord, shall repair and maintain the Premises and the fixtures and appurtenances therein in a first class condition, and keep the Premises in a clean, safe and orderly condition, except to the extent such maintenance is the responsibility of the Landlord pursuant to Section 10(a) above.

c. Notwithstanding the foregoing, Landlord, at Tenant's sole cost and expense, shall have the right to make all repairs caused by the negligence or misconduct of Tenant, its agents, independent contractors, representatives, or employers, and Tenant shall promptly reimburse Landlord for the reasonable costs and expenses for such repairs.

11. Alterations; Liens.

a. Tenant shall not redecorate, remodel or make any alterations, improvements or installations including placement of any signs (collectively, "**Alterations**") in or to the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld, except that Landlord's consent may be withheld in Landlord's sole and absolute discretion with respect to any proposed Alterations affecting: (i) the structural components of the Building (including, without limitation, the roof or roofing system, exterior walls, bearing walls, support beams, foundations, columns, exterior doors and windows, and/or lateral support to the Building); (ii) curtain walls and windows; (iii) the base building plumbing supply system and fire/life safety systems; (vi) the base building heating, ventilation and air conditioning systems; (vii) the base building electrical and mechanical lines, equipment and systems, including, without limitation, elevators; (viii) the parking facility, (ix) the common areas of the Property and Building, including, without limitation, their lighting systems, walkways, shrubbery, lawn and landscaping; and (x) the exterior glass. In addition, Landlord shall have the right to withhold consent, in Landlord's sole and absolute discretion, with respect to any proposed Alterations to the interior of the Premises which would be visible from the exterior of the Premises.

b. Any Alterations consented to by Landlord shall be at the sole cost and expense of Tenant. Landlord shall have the right to approve Tenant's contractors, not to be unreasonably withheld). On Tenant's request, Landlord will advise Tenant whether Landlord will require the removal of any improvements that are part of the Alterations at the end of the Term as provided in Section 31(a) hereof.

c. In the event that Landlord shall elect to permit Tenant to arrange and contract for the Alterations, then Tenant shall, before permitting commencement of the Alterations, furnish to Landlord for Landlord's review and approval all necessary plans and specifications in reasonable detail, names and addresses of proposed contractors, copies of contracts, and necessary permits, and shall furnish indemnification in form and amount reasonably satisfactory to Landlord, against any and all claims, costs, damages, liabilities and expenses which may arise in connection with the Alterations, and certificates of insurance in form and amount reasonably satisfactory to Landlord from all contractors performing labor or providing materials, insuring Landlord against any and all liabilities which may arise out of or be connected in any way with the Alterations. Tenant shall pay all actual costs and expenses relative to the Alterations and Landlord shall supply supporting documentation for such costs and expenses upon request. Tenant shall permit Landlord to monitor the construction operations in connection with the Alterations and to restrict, as may reasonably be required, the passage of manpower and materials and the conducting of construction activity in order to avoid unreasonable disruption to Landlord or to other tenants of the Building or damage to the Property or the Premises. Tenant shall pay to Landlord, for Landlord's overhead in connection with monitoring the Alterations, a sum equal to the amount that would be charged by a third party project manager for such work in an amount equal to not less than 2.5% and not more than 10% of Tenant's costs for the Alterations. Promptly following completion of the Alterations, Tenant shall furnish to Landlord contractors' affidavits, full and final waivers of lien and receipted bills covering all labor and materials expended and used in connection with the Alterations. Whether or not Tenant shall furnish Landlord with all the foregoing, Tenant hereby agrees to indemnify, defend and hold harmless Landlord from any and all claims, losses, costs, damages, expenses, or liabilities of any kind and description which may arise out of or be connected in any way with any Alterations. Any Alterations performed by Tenant shall comply with all Landlord's insurance requirements and with all applicable Legal Requirements. Landlord's approval of plans and specifications or supervision of construction operations, if any, shall not imply Landlord's acknowledgment, opinion or belief that the Alterations complies with any such applicable Legal Requirements, nor relieve Tenant from any responsibility hereinabove imposed. Following the completion of the Alterations, Tenant shall also provide Landlord with "as-built" drawings showing in detail the full extent and nature of the Alterations.

d. In the event that Landlord shall elect to directly arrange and contract for the Alterations on behalf of Tenant, Landlord shall assume full responsibility for the preparation of plans and specifications for the Alterations for the Tenant's approval, the contracting for all labor and materials required by the Alterations, compliance of the Alterations with all applicable Legal Requirements, and monitoring of the Alterations. Prior to contracting for any Alterations on behalf of Tenant, Landlord shall prepare for Tenant's approval a budget of the anticipated cost of the Alterations, and Landlord shall not contract for any Alterations until Tenant has approved the proposed budget. Tenant shall pay to Landlord the costs of the Alterations including, without limitation, the cost of preparing the plans and specifications, the cost of permits, fees, labor and materials required to complete the Alterations, and the cost, if any, to repair and/or redecorate the Premises as may be necessitated by the Alterations (collectively, "**Costs**"). Landlord's charge to Tenant for Landlord's overhead in connection with Landlord's performance of the Alterations shall a sum equal to the amount that would be charged by a third party project manager for such work in an amount equal to not less than 2.5% and not more than 10% of the total substantiated Costs. The Costs payable by Tenant to Landlord and Landlord's charge therefor shall be deemed to be Additional Rent and shall be paid by Tenant as the Alterations are performed, upon being billed by Landlord.

e. Tenant, promptly following receipt of notice thereof, shall remove or bond over any lien or claim of lien filed against the Property or any part thereof for materials or labor performed by any contractors, subcontractors, workmen, or suppliers engaged directly or indirectly by Tenant and Tenant hereby agrees to indemnify, defend and hold harmless Landlord from and against any and all claims, losses, costs, damages, expenses, or liabilities including, but not limited to, reasonable attorneys' fees, arising from claims or liens, or Tenant's failure to promptly remove any such claims or liens.

12. Assignment and Subleasing.

a. Tenant shall not assign, pledge, mortgage or otherwise transfer or encumber this Lease, nor sublet all or any part of the Premises or permit the same to be occupied or used by anyone other than Tenant or its employees without the express written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. In the event Tenant desires to assign this Lease or let or sublet the whole or any part of the Premises, Tenant shall make a request in writing to Landlord of its intention to do so to Landlord, together with: (i) a copy of the proposed agreement of assignment or sublease wherein the proposed assignee assumes all of the obligations of Tenant hereunder and containing the name and address of the proposed assignee; (ii) the names and addresses of the principals of the proposed assignee or subtenant; and (iii) financial statements and bank and other financial and business references of the proposed assignee or subtenant reasonably sufficient to enable Landlord to ascertain the financial responsibility of the proposed assignee or subtenant. Landlord shall respond to Tenant within 10 Business Days of receipt of Tenant's request. If Landlord consents to Tenant's request to sublease or assign this Lease, Landlord shall be provided with a copy of the fully executed sublease or assignment and shall receive 50% of the amount, if any, which all rent or other consideration received by Tenant from such assignee or subtenant (prorated on a square-foot basis for less than the entire Premises) exceeds the rent then due to Landlord pursuant to this Lease, less the amount of real estate brokerage commissions and other costs and expenses reasonably related to the assignment or sublease (all prorated over the term of the assignment or sublease) paid to unrelated third parties, including construction and advertising expenses, but not including the proceeds from the sale or rental of any Tenant furniture, fixtures, equipment and other personal property, provided that same are sold or rented at the then bona fide market value thereof. Any assignment or subletting approved by Landlord shall not relieve Tenant from all of its obligations and responsibilities under this Lease for the entire Premises. If Landlord objects to Tenant's request to sublease the Leased Premises or assign this Lease, Landlord shall specify the reasons for such objection. If Landlord fails to respond to Tenant within such 10 Business Day period, Landlord's consent to such sublease or assignment request shall be deemed withheld. Upon any request to assign or sublet, Tenant will pay to Landlord the sum equal to all of Landlord's costs, including reasonable attorney's fees, incurred in investigating and considering any proposed or purported assignment or sublease of any of the Premises, regardless of whether Landlord's consent shall ultimately granted or withheld therefor. The consent by Landlord to any particular assignment, subletting or other transfer hereunder shall not in any way be considered a consent by Landlord to any other or further assignment, subletting, or other transfer.

b. Without limitation, each of the following shall be deemed to be an assignment of this Lease requiring Landlord's consent: (i) the transfer of a majority of the issued and outstanding capital stock of any corporate Tenant or the transfer of a majority of the membership interest of any Tenant which is a limited liability company or a transfer of the total proprietary interest of any partnership Tenant, however the same may be accomplished, whether directly or indirectly, and whether in a single transaction or in a series of related or unrelated transactions, or (ii) an increase in the number of issued and/or outstanding shares of the capital stock of any corporate Tenant and/or the creation of one or more additional classes of capital stock of any corporate Tenant, however accomplished and whether in a single transaction or a series of related or unrelated transactions, with the result that at least 51% of the beneficial interest and record ownership in and to such Tenant shall no longer be held by the beneficial and record owners of the capital stock of such corporate Tenant as of the date hereof, or the date on which such corporation shall become Tenant hereunder (whichever is later). Notwithstanding the foregoing or anything to the contrary contained herein, the sale or transfer of a majority interest in Tenant or any controlling person of Tenant shall be deemed to be a permitted transfer of this Lease ("**Permitted Transfer**"), if such sale or transfer: (i) is to any affiliate of (meaning, an entity controlling, controlled by or under common control with) Tenant; (ii) results in Tenant's ultimate controlling person as of the Commencement Date no longer being the controlling person of Tenant; (iii) if Tenant's shares are registered under the Securities Exchange Act of 1934 and traded on any nationally-recognized stock exchange or "over the counter" market; (iv) is made between and amongst the existing stockholders, partners or members of Tenant and their respective family members; or (v) results from the death of a stockholder, partner or member of Tenant; or (vi) is made by devise, bequest, gift, inheritance, intestacy or estate planning purposes of a stockholder, partner or member of Tenant; or (vii) involves the sale of shares in connection with "going public" or an initial public offering. Landlord's consent shall not be required for any such Permitted Transfer of this Lease, provided that Tenant shall give written notice of any such Permitted Transfer (together with reasonable details describing the nature of the Permitted Transfer) promptly following the occurrence of such Permitted Transfer.

c. Notwithstanding any assignment or transfer of this Lease, and notwithstanding the acceptance of Rent by Landlord from an assignee, transferee, or any other party, except as otherwise agreed by Landlord in writing, Tenant shall remain fully liable for the payment of Rent and for the performance and observance of all other obligations of this Lease on the part of Tenant to be performed or observed. Tenant's liability shall be joint and several with any immediate and remote successors in interest of Tenant, and such joint and several liability in respect of Tenant's obligations under this Lease shall not be discharged, released or impaired in any respect by any agreement or stipulation made by Landlord extending the time of, or modifying any of the obligations of, this Lease, or by any waiver or failure of Landlord to enforce any of the obligations of this Lease.

d. Upon the occurrence of an Event of Default, if the Premises or any part thereof is then assigned or sublet, Landlord, in addition to any other remedies provided in this Lease or provided by law, may, at its option, collect directly from such assignee or subtenant all rents due and becoming due to Tenant under such assignment or sublease and apply such rent against any sums due to Landlord from Tenant under this Lease, and no such collection shall be construed to constitute a novation or release of Tenant from the further performance of Tenant's obligations under this Lease.

e. Any purported sale, assignment, mortgage, subletting or other transfer of this Lease or any interest herein which does not comply with the provisions of this Section 12 shall be void.

13. Damage or Destruction.

a. If the Premises or the Building shall be destroyed or damaged by fire, other casualty, acts of God or the elements (a "**Casualty**") so that it cannot, in Landlord's good faith business judgment (which shall be made within 60 after the date of the Casualty), be restored or made suitable for Tenant's business needs within 180 days after the date of the Casualty, then either party may terminate this Lease by written notice to the other party within 30 days after the date of the Casualty. Any such termination of this Lease shall be effective as of the date of the Casualty and the Rent shall abate from that date, and any Rent paid for any period beyond such date shall be refunded to Tenant.

b. If this Lease is not terminated as provided in Section 13(a), then Landlord shall, at its sole cost and expense, restore the Premises and/or the Building as soon as reasonably practicable (and in all events within the time periods set forth in Section 13(c) below) to the condition existing prior to the Casualty (to the extent practicable but, in any event, suitable for Tenant's requirements), including without limitation any tenant improvements other than those improvements constructed by or for Tenant after the Commencement Date. During the restoration period, the Rent shall abate for the period during which the Premises are not suitable for Tenant's business needs. If only a portion of the Premises is damaged, the Rent shall abate proportionately based upon the portion of the Premises that are not suitable for Tenant's business needs and not used by Tenant.

c. If Landlord, subject to delays occasioned by the occurrence of events of force majeure, does not restore the Premises and/or the Building as required in Subparagraph (b) within 180 days of the date of the Casualty, Tenant may, as its discretion, terminate this Lease without incurring any liability to Landlord subsequent to the Casualty, provided (i) Tenant gives Landlord written notice of immediate termination within 30 days after the expiration of the applicable 180 day period, and (ii) Landlord does not complete the restoration prior to receiving such notice.

14. Eminent Domain.

a. If there is a taking of the Property or the Premises by right or threat of eminent domain (a "**Taking**") then Landlord shall give written notice to Tenant of such Taking and, if such Taking results or would result in the remainder of the Premises being unable to be restored, in Landlord's good faith business judgment, to a complete architectural unit within 180 days from the date of the Taking ("**Substantial Taking**"), then Landlord may terminate this Lease by giving written notice to Tenant, without incurring any additional liabilities. Any such termination of this Lease shall be effective as of the date of the Taking and the Rent shall abate from that date, and any Rent paid for any period beyond such date shall be refunded to Tenant.

b. If there shall be a Taking which does not constitute a Substantial Taking, this Lease shall not terminate but Landlord shall, at its sole cost and expense, with due diligence, work to restore the Premises to its condition before the Taking (to the extent practicable) but excluding any improvements made for Tenant after the Commencement Date of this Lease. During the restoration period, the Rent shall abate for the period during which the Premises are not suitable for Tenant's business needs.

c. If only a portion of the Premises is taken and Tenant is given access to the Premises and can continue to conduct its business without material change and provided Tenant chooses not to exercise its right to terminate the Lease as set forth above, the Rent shall abate proportionately based upon the portion of the Premises that are not suitable for Tenant's business needs and not used by Tenant.

d. Tenant shall not be entitled to any part of the payment or award for a Taking, provided that Tenant may file a claim, separate from Landlord's claim, for any loss of Tenant's property, moving expenses, or for damages for cessation or interruption of Tenant's business, provided such claim is not for the value of the leasehold and does not reduce Landlord's award therefor.

15. Insurance.

a. Landlord shall maintain, at its expense, during the Term, policies of insurance, with standard "special causes of loss" coverage for the Building. Such coverage shall equal 100 of the replacement cost of the Building and any parking facility, exclusive of excavation, footings and foundations, together with such additional insurance coverages as Landlord may elect in connection with the Property, and the costs of all such policies and any deductibles thereunder shall be included in Operating Expenses..

b. Tenant shall maintain, at its expense, during the Term, with insurance companies reasonably acceptable to Landlord, comprehensive general liability insurance for the Premises in a combined coverage for bodily injury and property damage in an amount not less than $3,000,000. Tenant shall name Landlord and any mortgagee of the Property of which Landlord has advised Tenant in writing, as additional insureds under such policy.

c. Tenant shall maintain, at its expense, during the Term, property insurance on all personal property located in the Premises from damage or other loss caused by fire or other casualty, including but not limited to, vandalism and malicious mischief, perils covered by extended coverage, theft, sprinkler leakage, water damage (however caused), explosion, malfunction or failure of heating and cooling or other apparatus, and other similar risks in amounts not less than the full insurable replacement value of such property. Landlord shall be named as a loss payee of such policy, as its interests may appear.

d. Tenant shall maintain such worker's compensation insurance as is required by applicable law.

e. The policy or policies evidencing such insurance for subsections (a), (b), (c), and (d) shall provide that they may not be canceled or amended without 30 days' prior written notice being given to the party for whose benefit such insurance has been obtained. Prior to the Commencement Date, each party shall submit to the other insurance certificates demonstrating the required policies are in effect.

f. Notwithstanding the foregoing, Landlord may self-insure provided that Landlord's self-insurance program meets the requirements of any applicable laws pertaining to such self-insurance programs and meets any and all requirements and approvals of any insurance commission of the state in which the Property is located and where the subject matter of said self-insurance program is to be applicable.

16. Subrogation and Waiver. The parties release each other and their respective authorized representatives from any claims for injury to any person or damage to the Property that are caused by or result from risks required to be insured against under any insurance policies carried by either of the parties. Each party to the extent possible shall obtain, for each policy of insurance, provisions permitting waiver of any claim against the other party for loss or damage within the scope of the insurance and each party to the extent permitted, for itself and its insurer, waives all such insured claims against the other party. If such waiver or agreement shall not be obtainable, or shall cease to be obtainable without additional charge, the insured party shall so notify the other party promptly after notice thereof. If the other party shall agree in writing to pay the insurer's additional charge therefor, such waiver or agreement shall (if obtainable) be included in the policy.

17. Indemnification.

a. Subject to Section 16 and except as specifically provided to the contrary elsewhere in this Lease, each party shall defend, indemnify and save harmless the other, its officers, directors, and employees against all claims, liabilities, losses, and damages (including reasonable attorneys' fees) because of injury, including death, to any person, or damage or loss of any kind to any property to the extent caused by any negligence or willful misconduct of the other party or its agents, or any failure on the part of such party to perform all of its liabilities and obligations under this Lease.

b. Landlord's and Tenant's indemnification obligations under this Section 17 shall survive the expiration or earlier termination of this Lease.

18. Interruption of Services. Landlord shall not be liable to Tenant for any damages, nor shall Tenant be entitled to any abatement of Rent, due to any interruption or failure to furnish or delay in furnishing any utilities or services, or for any diminution in the quality or quantity thereof, when such delay, failure or diminution is occasioned, in whole or in part, by repairs, renewals or improvements, by any strike, lockout or other labor trouble, failure of any vendor, contractor or service provider to perform, by inability to secure fuel or supplies for the Building (provided that Landlord uses commercially reasonable efforts to overcome such circumstances), by any accident or casualty whatsoever, by the act, omission, or default of Tenant, or by any other cause or circumstance beyond Landlord's reasonable control, and such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of the Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Lease. Notwithstanding the foregoing, if (a) the Premises are rendered untenantable as the result of any such interruption or failure to furnish utilities or services,

(b) such interruption or failure is caused by the negligence or willful misconduct of Landlord, and (c) such untenantability continues for a period of five consecutive Business Days (and provided that Tenant does not, in fact, use or occupy the Premises during the period of such untenantability), then, commencing with the sixth such day and continuing until such untenantability has been remedied, Base Rent shall be abated in proportion to the portion of the Premises so rendered untenantable. Notwithstanding anything to the contrary, if the Premises remain untenantable for more than 180 consecutive days (and provided that Tenant does not, in fact, use or occupy the Premises during the entire period of such untenantability) as a result of any such interruption or failure caused by the negligence or willful misconduct of Landlord, Tenant shall have the right to terminate this Lease by giving written notice to Landlord after the expiration of such 180 day period and before such untenantability has been remedied.

19. Subordination and Nondisturbance. Tenant's interest in this Lease shall be subject and subordinate in all respects to any fee owner, ground or prime lease (including, without limitation, any Over-Lease or master lease agreement resulting from a sale by Landlord of its interest in the Property to a third party and a lease-back of the entire Property by Landlord from such third party) or the lien of any mortgage or deed of trust which may now or hereafter be placed on the Property. Upon Tenant's request, Landlord shall request and use commercially reasonable efforts to obtain from any present or future mortgagee, trustee, fee owner, ground or prime lessor, or any person having an interest in the Premises superior to this Lease (a "**Superior Interest**") a written subordination and nondisturbance agreement in recordable form, providing that so long as Tenant performs all of the terms, covenants and conditions of this Lease and agrees to attorn to the mortgagee, beneficiary of the deed of trust, purchaser at a foreclosure sale, ground or prime lessor or fee owner, Tenant's rights under this Lease shall not be disturbed and shall remain in full force and effect for the Term, and Tenant shall not be joined by the holder of any mortgage or deed of trust in any action or proceeding to foreclose thereunder, unless such joinder is required for jurisdictional purposes. Landlord shall not have any liability to Tenant if it is not able to obtain such subordination and nondisturbance agreement.

20. Landlord's Right of Entry.

a. Landlord has the right to enter the Premises at any reasonable time upon (i) twenty-four (24) hours' prior notice to Tenant (or without notice in case of emergency) for the purpose of performing maintenance, repairs, and replacements to the Premises as are permitted or required under this Lease, and (ii) without notice for entry for the purpose of performing routine services which Landlord is required to provide under this Lease.

b. Upon reasonable advance notice to Tenant, Landlord may show the Premises to prospective purchasers, mortgagees and, during the last 12 months of the Term, to prospective tenants.

c. In exercising its rights under this Section 20, Landlord shall use reasonable efforts to not materially interfere with or disrupt the normal operation of Tenant's business. Tenant shall have the right, in its sole discretion, to designate a representative to accompany Landlord, or any third parties, while they are on the Premises.

21. Rules and Regulations. Tenant agrees to comply with all reasonable written rules and regulations which Landlord may establish for the protection and welfare of Tenant, the Building and all the other tenants and occupants of the Building, provided that all such rules and regulations (i) shall be applied uniformly to all occupants of the Building, (ii) do not discriminate against Tenant, and (iii) do not unreasonably interfere with Tenant's use of the Premises. A copy of the current rules and regulations is attached as **Exhibit "B"** hereto and by this reference made a part hereof. Tenant shall be given a copy of any changes to the rules and regulations at least ten days before they become effective. In the event of a conflict between the rules and regulations, and the provisions of this Lease, the provisions of this Lease shall prevail.

22. Event of Default. The occurrence of any one or more of the following matters constitutes an "**Event of Default**" by Tenant under this Lease:

a. Any failure by Tenant to pay Rent when due, where such failure is not cured within five days after receipt of written notice from Landlord to Tenant;

b. Any failure by Tenant to observe or perform any other covenant, agreement, condition or provision of this Lease, if such failure continues for five Business Days after receipt of written notice from Landlord to Tenant, except that if the default cannot be cured within the five Business Day period, it shall not be considered an Event of Default if Tenant commences timely to cure such default and thereafter proceeds diligently and continuously to effect such cure;

c. the making of any assignment by Tenant for the benefit of creditors;

d. the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a petition of reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the petition is dismissed within 60 days of the date filed);

e. the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets;

f. the attachment, execution or other judicial seizure of substantially all of Tenant's assets; or

g. an assignment or subletting by Tenant in violation of Section 12 hereof.

23. Rights and Remedies. If an Event of Default by Tenant occurs,

a. Landlord may terminate this Lease or Tenant's right of possession, by giving Tenant written notice of Landlord's election to do so, in which event the Term shall end, and all right, title and interest of Tenant hereunder shall expire, on the date stated in such notice;

b. If this Lease and the Term and estate hereby granted shall terminate for an Event of Default as provided in Section 23(a) above, then

i. Landlord and Landlord's agents may thereupon re-enter the Premises or any part thereof by summary proceedings or by any other applicable legal proceeding and may repossess the Premises and dispossess Tenant and any other persons therefrom and remove any and all of its or their property and effects from the Premises, and

ii. Landlord, at its option, may relet the whole or any part of the Premises from time to time, either in the name of Landlord or otherwise, to such tenant(s), for such term(s) ending before, on or after the date on which the Term is otherwise scheduled to expire (the "**Expiration Date**"), at such rental(s) and upon such other conditions, which may include concessions and free rent periods, as Landlord may reasonably determine to be necessary. Landlord, at Tenant's sole cost and expense, may make such reasonable repairs, improvements, alterations, additions, decorations and other physical changes in and to the Premises as Landlord, in its reasonable discretion, considers advisable or necessary in connection with any such reletting or proposed reletting, without relieving Tenant of any liability under this Lease or otherwise affecting any such liability.

c. Should this Lease be terminated as provided in Section 23(a) above, or by or under any other proceeding, or if Landlord shall re-enter the Premises, Landlord shall be entitled to recover, and Tenant shall pay, in addition to any damages or amounts provided for elsewhere in this Section 23 or under any other provisions of this Lease, the then cost of:

i. restoring the Premises to the same condition as that in which Tenant has agreed to surrender them to Landlord as of the last day of the Term; and

ii. completing in accordance with this Lease any improvements to the Premises that have been actually commenced as of the date of the Event of Default, or for repairing any part thereof.

d. If an Event of Default by Tenant or any person claiming through or under Tenant should occur, Landlord shall be entitled to seek to enjoin such default and shall have the right to invoke any right allowed at law or in equity, by statute or otherwise, as if re-entry, summary proceedings or other specific remedies were not provided for in this Lease.

e. Should this Lease be terminated by Landlord as provided in Section 23(a),

i. Tenant shall pay to Landlord all Rent through the date upon which this Lease was terminated for Tenant's Event of Default, and

ii. Tenant shall be liable for and shall pay to Landlord, as damages, any deficiency between (A) the Rent that would have been payable hereunder for the period which otherwise would have constituted the unexpired portion of the Term and (B) the net amount, if any, of rents ("**Net Rent**") collected under any reletting effected pursuant to the provisions of this Section for any part of such period (first deducting from the rents collected under any such reletting all of Landlord's expenses in connection with the termination of this Lease or Landlord's re-entry, including all repossession costs, brokerage commissions, legal expenses, alteration costs and other expenses of preparing the Premises for such reletting). Such deficiency shall be paid in monthly installments by Tenant on the days specified in this Lease for the payment of installments of Base Rent. Landlord shall be entitled to recover from Tenant

each monthly deficiency as the same shall arise and no suit to collect the amount of the deficiency for any month shall prejudice Landlord's right to collect the deficiency for any prior or subsequent month by a similar proceeding or otherwise. A suit or suits for the recovery of such deficiencies may be brought by Landlord from time to time at its election.

f. Landlord shall be entitled to recover from Tenant, and Tenant shall pay Landlord, on demand, as liquidated damages and not as a penalty, a sum equal to the amount by which (A) the Base Rent and Additional Rent payable hereunder (reduced by any amounts collected by Landlord on account of monthly deficiencies as provided in Section 23(e)(ii) above) for the period ending on the Expiration Date and beginning on the latest of the date of termination of this Lease, the date of re-entry by Landlord or the date through which monthly deficiencies shall have been paid in full, exceeds (B) an amount equal to the then fair and reasonable rental value of the Premises for the same period, both amounts discounted to present value at the Interest Rate as defined below. If, before presentation of proof of such liquidated damages to any court, commission or tribunal, the Premises or any part thereof shall have been relet by Landlord for the period which otherwise would have constituted all or any part of the unexpired portion of the Term, the amount of rent upon such reletting shall be deemed, prima facie, to be the fair and reasonable rental value for the part or the whole of the Premises (as the case may be) so relet during the term of such reletting. As used herein, "**Interest Rate**" shall mean an annual rate equal to the Prime Rate as set forth in *The Wall Street Journal* on the date of the default or, if *The Wall Street Journal* is not published that day, the first date of publication thereafter, plus 3%.

g. In no event shall Tenant be entitled (A) to receive any excess of any Net Rent under Section 23(e) over the sums payable by Tenant to Landlord hereunder or (B) in any suit for the collection of damages pursuant to this Section to a credit in respect of any Net Rent from a reletting except to the extent that such Net Rent is actually received by Landlord. Should the Premises or any part thereof be relet in combination with other space, then proper apportionment on a square foot area basis shall be made of the rent received from such reletting and the cost of reletting.

h. If Landlord spends any money to cure such Event of Default by Tenant, then Landlord shall also be entitled to interest on such expenditure at the Interest Rate.

i. Nothing contained herein shall be construed as limiting or precluding the recovery by Landlord from Tenant of any sums or damages to which, in addition to the damages particularly provided above, Landlord may lawfully be entitled by reason of any default hereunder on the part of Tenant, provided that, except to the extent set forth above in this Section 23 or in connection with Tenant's breach of Section 9 above or holdover pursuant to Section 24 below, each party waives any right to recover consequential, incidental, indirect, exemplary, punitive or other types of indirect damages from the other party for a breach of this Lease.

24. Holding Over. Should Tenant remain in possession of the Premises after the termination or expiration of this Lease, Tenant shall be a tenant from month-to-month of the Premises under all the terms and conditions of this Lease, except that Rent shall be at a rate equal to 150% of the then previously applicable Rent, prorated on a daily basis. Nothing contained in this Lease shall be construed as a consent by Landlord to the occupancy or possession by Tenant

of the Premises beyond the termination date or prior expiration of the Term, and Landlord, upon said termination date or prior expiration of the Term, or at any time thereafter (and notwithstanding that Landlord may accept from Tenant one or more payments called for herein), shall be entitled to the benefit of all legal remedies that now may be in force or may be hereafter enacted relating to the immediate repossession of the Premises. The provisions of this Section 24 shall survive the expiration date or earlier termination of the Term.

25. Quiet Enjoyment. Subject to Section 19 hereof, Landlord covenants that if and for so long as Tenant pays the Rent and performs the covenants and conditions hereof, Tenant shall peaceably and quietly have, hold and enjoy the Premises for the Term, without interference by Landlord or anyone claiming by, through or under Landlord, or by anyone claiming superior title to Landlord.

26. Mutual Representation of Authority. Each of Landlord and Tenant represents and warrants to the other that it has full right, power and authority to enter into this Lease without the consent or approval of any other entity or person and each party makes these representations knowing that the other party will rely thereon. Each party agrees that it will not raise or assert as a defense to any obligation under this Lease or make any claim that this Lease is invalid or unenforceable due to any failure of this document to comply with ministerial requirements, including but not limited to requirements for corporate seals, attestations, witnesses, notarization, or other similar requirements, and each party hereby waives the right to assert any such defense or make any claim of invalidity or unenforceability due to any of the foregoing.

27. Real Estate Brokers. Each of Landlord and Tenant represents and warrants to the other that it has had no dealings with any real estate broker or agent in connection with this Lease. Each party covenants to pay, hold harmless, and indemnify the other from and against any and all costs, expenses, or liabilities for any compensation, commissions, and charges claimed by any broker or agent with respect to this Lease or the negotiation thereof, based upon alleged dealings with the indemnifying party.

28. Business Hours – Holidays. As used in this Lease, "**Business Hours**" shall mean the hours of 6:00 a.m. through 6:00 p.m., Monday through Friday except Holidays, and "**Holidays**" shall mean New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Day after Thanksgiving, and Christmas, and "**Business Day**" means any day which is not a Saturday, Sunday or Holiday or other day on which national banks in Chicago, Illinois are authorized to be closed. Tenant shall have access to the Premises during Business Hours. After Business Hours, Tenant shall have access to the Premises, provided Tenant complies with Landlord's security procedures. Landlord may establish and advise Tenant of any reasonable requirements for prior notification to Landlord for Tenant's use of the Premises during non-Business Hours and may separately charge for utilities used by Tenant during non-Business Hours that would not have been used but for Tenant's non-Business Hour use of the Premises.

29. Estoppel Certificate. Tenant agrees, upon not less than 15 days' prior written request by Landlord, to deliver to Landlord a statement in writing signed by Tenant certifying (i) that this Lease is unmodified and in full force and effect (or if there have been modifications, identifying the modifications); (ii) the date upon which Tenant began paying Rent and the date(s)

to which the Rent has been paid; (iii) that, to the best of Tenant's knowledge, Landlord is not in default under any provision of this Lease, or, if in default, the nature thereof; (iv) that there has been no prepayment of Rent except as provided for in this Lease; and (v) such other information as may be reasonably requested by Landlord. Any person or entity purchasing, acquiring an interest in or extending financing with respect to the Property shall be entitled to rely upon any such certificate.

30. No Recording. Landlord and Tenant agree not to record this Lease or any memorandum of this Lease.

31. Surrender; Restoration.

a. At the expiration or earlier termination of this Lease, whether by forfeiture, lapse of time or otherwise, or upon termination of Tenant's right to possession of the Premises, Tenant will surrender and deliver up the Premises to Landlord, in good condition and repair, reasonable wear and tear and loss by fire or other casualty excepted. Tenant will vacate the Premises and leave it in neat and clean condition and free of any Hazardous Substances brought onto the Property by Tenant or its affiliates, subsidiaries, contractors, subcontractors, employees, guests, or invitees after the Original Commencement Date. In addition to the provisions of Section 31(b) below, Landlord may require the removal and restoration of any improvements made by or for Tenant after the Original Commencement Date. Any such removal and restoration required by Landlord will be performed by Landlord or its contractors at Tenant's cost and expense.

b. Tenant, at its sole cost and expense, shall remove any personal property, furniture, and trade fixtures which it owns or leases from third parties. Any furniture which is part of the Transferred FF&E which is affixed, attached to or "built-in" to the walls or floors of the Building shall not be removed without Landlord's written consent. Tenant shall repair any damage caused by such removal or, at Landlord's option, Tenant shall pay Landlord for the cost to repair or restore any such damage. Tenant shall verify the ownership of any such items before removing them from the Premises. Any personal property, furniture, and trade fixtures used by Tenant but which are owned by Landlord or leased by Landlord from third parties shall not be removed by Tenant. Tenant shall leave the Premises in a neat and clean condition.

32. Waiver. No consent or waiver, express or implied, by either party to or of any breach or default by the other party in the performance by such other party of its obligations under or in connection with this Lease shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other party of the same or any other obligation of such party. Failure on the part of any party to complain of any act or failure to act of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

33. Governing Law. This Lease shall be construed and interpreted in accordance with the laws of the State of Illinois, without reference to the choice of laws or conflicts of law provisions thereof.

34. Notices. Any notice required or permitted to be provided by a party under this Lease will be made to the notice address of the receiving party set forth below or to an alternate notice address later designated by the receiving party in accordance with this Section 34. Notices will be effective upon actual receipt by the receiving party. An emailed notice will be effective against a receiving party only if the receiving party acknowledges receipt of the emailed notice in a return notice to the notifying party, and each party agrees to acknowledge receipt of an email notice in good faith promptly following receipt. A party may change its address for notice by giving notice to the other party pursuant to this Section 34.

Address for notice to Landlord:

Pactiv LLC
1900 West Field Court
Lake Forest, IL 60045
Attn: Chief Executive Officer
Email: jmcgrath@pactiv.com

For any notice concerning default or termination, with a copy to:

Pactiv LLC
1900 West Field Court
Lake Forest, IL 60045
Attn: General Counsel
Email: skarl@pactiv.com

Address for notices to Tenant:

Reynolds Consumer Products LLC
1900 W. Field Court
Lake Forest, IL 60045
Attention: Chief Executive Officer
Email: Lance.Mitchell@@ReynoldsBrands.com

For any notice concerning default or termination, with a copy to:

Reynolds Consumer Products LLC
1900 W. Field Court
Lake Forest, IL 60045
Attention: General Counsel
Email: David.Watson@ReynoldsBrands.com

35. Captions. The captions appearing in this Lease and its Exhibits are inserted only as a matter of convenience and do not define, limit, construe or describe the scope or intent of the sections of this Lease or its Exhibits nor in any way affect this Lease or its Exhibits.

36. Dispute Resolution. Prior to commencing any action, suit or proceeding in connection with this Lease other than with respect to any failure by Tenant to pay Rent, the parties shall first in good faith consult among appropriate officers of Landlord and Tenant, which shall begin promptly after one party has delivered to the other a written request for consultation. At any time thereafter, either party may request in writing that the dispute be referred to appropriate senior executives of Landlord and Tenant. Within ten days after such request, the senior executives (and not their designees) shall meet and attempt in good faith to resolve the dispute. Thereafter, once 20 days have expired past the date upon which senior executives met, either party may file any action, suit or proceeding in connection with this Agreement. Notwithstanding the foregoing, in the event of any emergency situation requiring immediate action, Landlord or Tenant, as the case may be, may file an action, suit or proceeding immediately without first complying with the terms of this Section 36.

37. Counterparts. This Lease may be executed in one or more counterparts, each of which shall be deemed an original but all of which, when taken together, shall constitute one and the same instrument.

38. Signs. In the event Landlord, in its sole discretion, shall institute the use of a directory in the main lobby of the Building (but without any obligation to do so), Landlord shall place the Tenant's name and location on the directory in the Building, and afford Tenant, without charge, the placing of the customary number of names in the Building directory. Tenant shall not be permitted to erect, install, affix or exhibit any other signage in the Building, the Premises or on the Property without the express written consent of Landlord, which consent may be withheld by Landlord in its sole discretion. Landlord approves Tenant's signage existing at the Building as of the Commencement Date.

39. Entire Agreement. This Lease (which includes each of the Exhibits attached hereto) contains the entire agreement between the parties with respect to the subject matter hereof, and all prior negotiations and agreements are merged into this Lease. This Lease may not be changed, modified, terminated or discharged, in whole or in part, nor any of its provisions waived except by a written instrument which (a) shall expressly refer to this Lease and (b) shall be executed both Landlord and Tenant. All exhibits and addenda attached hereto are hereby incorporated into this Lease and made a part hereof. In the event of any conflict between such exhibits or addenda and the terms of this Lease, such exhibits or addenda shall control.

40. Release. Tenant, on behalf of itself and its officers, directors, employees, agents, representatives, guests and invitees, and its and their respective heirs, legal representatives, successors and assigns, hereby remise, and release and forever discharge Landlord, its officers, directors, employees, affiliates, agents, representatives and independent contractors, and its and their respective heirs, legal representatives, successors and assigns, of and from any and all manner of actions, causes of actions, lawsuits, claims, demands and liability, in law or in equity, arising out of or relating to the use by Tenant and its officers, directors, employees, agents, representatives, guests and invitees of the computer equipment room, the fitness equipment and cafeteria in the Building (to the extent such fitness equipment and cafeteria are made available for use by Tenant hereunder), except to the extent caused by the gross negligence or willful misconduct of Landlord.

41. Confidentiality.

a. “Confidential Information” shall mean, with the exceptions set forth below, the existence and content of any information, whether in written, oral, electronic or other form, which a party directly or indirectly, acquires from the other party, through conversations, observations, documents or otherwise, including, without limitation, information concerning a party’s or its affiliates’ business activities, present or proposed operations, and present or future business plans and operations.

b. Any information acquired by a party from the other party shall be presumed to be Confidential Information unless expressly designated in writing as non-confidential at the time of disclosure. However, Confidential Information shall not include information if it can be documented to have been (a) in the public domain by publication or other means, other than as a result of the party’s breach of its obligations hereunder; (b) supplied to a party without a restriction by a third party lawfully in possession thereof who, to the best of such party’s knowledge, had no contractual or fiduciary obligation to the disclosing party or another in respect thereto; or (c) independently developed by a party having no access to Confidential Information of the disclosing party.

c. Each party shall safeguard all Confidential Information that it acquires from the other party with the highest degree of control and care reasonably practicable, but not less than that degree of care practiced by a party with respect to its own similar property under similar circumstances. A party shall not use or reproduce any Confidential Information except in connection with this Lease, nor disclose it to any third party except as approved or directed by the other party in writing. It will only disclose Confidential Information to those of its employees, officers, directors and agents who have a need to know such information and who have a legal obligation to keep it confidential to at least the same extent as the confidentiality requirements by which such party is bound hereunder.

d. In the event a party is required by law, regulation, or order of court or government authority to disclose any Confidential Information, it shall give the other party prompt written notice of such requirements so that such other party may seek an appropriate protective order or other relief and shall withhold disclosure until such party has had a reasonable opportunity to procure, and shall make reasonable efforts to assist the disclosing party in procuring, such protective order or other relief, unless the party has given written notice of its decision not to seek such relief. If despite such prompt notice and efforts the protective order or other relief is denied, disclosure is mandated before the order or other relief can be obtained, or the party does not seek such relief, a party may disclose such Confidential Information without liability hereunder; provided, however, that the receiving party shall use reasonable efforts to obtain reliable assurances that confidential treatment will be accorded to such Confidential Information and provided further that such disclosure shall be limited to the specific information necessary to comply with such law, regulation or order. Nothing in this Section 41 will restrict a party from disclosing any Confidential Information as may be reasonably required in connection with any proceeding pursuant to Section 36 hereof or in connection with the sale by Landlord of its interest in the Property to a third party.

42. Amendment and Restatement. This Lease amends, restates and supersedes the Original Lease which, effective as of the Commencement Date, shall no longer be of any force or effect.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amended and Restated Lease Agreement as of the day and year first above written.

LANDLORD:

PACTIV LLC, a Delaware limited liability company

By: /s/ John McGrath
Name: John McGrath
Title: Chief Executive Officer

TENANT:

REYNOLDS CONSUMER PRODUCTS LLC, a Delaware limited liability company

By: /s/ Lance Mitchell
Name: Lance Mitchell
Title: Chief Executive Officer

Exhibit “A”

Premises

See Attached

Exhibit "B"

Rules and Regulations

1. The rules and regulations set forth in this **Exhibit "B"** shall be and hereby are made a part of the Lease to which they are attached. Whenever the terms "Landlord" or "Tenant" are used in these rules and regulations, they shall be deemed to include their respective employees, agents, contractors, and any other persons permitted by them to occupy or enter the Premises. The following rules and regulations may from time to time be modified by Landlord in the manner set forth in the Lease. Capitalized terms used in these Rules and Regulations which are not otherwise defined herein shall have the meaning ascribed to them in the Lease. Reference to other tenants includes, without limitation, the Landlord's occupancy of the Building.

2. Obstruction: The sidewalks, entries, passages, corridors, halls, lobbies, stairways, elevators and other common access facilities of the Property shall be controlled by Landlord and shall not be obstructed by Tenant or used for any purposes other than ingress or egress to and from the Premises. Tenant shall not place any item in any of the common areas of the Property, whether or not any such item constitutes an obstruction, without the prior written consent of the Landlord. Landlord shall have the right to remove any obstruction or any such item without notice to Tenant and at the expense of Tenant. Landlord shall have access to all mechanical and electrical equipment at all times. Any furnishings that impede access for regular or emergency maintenance or repair of this equipment are not allowed and any costs to move such equipment shall be charged to and paid by Tenant.

3. Deliveries: Tenant shall insure that all deliveries to the Premises (including, without limitation, deliveries of mail, office supplies, beverages and soft drinks, catered meals and all other deliveries of bulk items) shall be made only upon the elevators designated by Landlord for deliveries and only during the Business Hours of the Building. Only hand carts with rubber tires and side guards shall be used in the Building. If any person making deliveries to Tenant damages the elevator or any other part of the Building or Property, Tenant shall pay to Landlord upon demand the amount required to repair such damage and restore the area to its previous condition.

4. Moving: Furniture and equipment shall be moved in or out of the Building only upon the elevators designated by Landlord for deliveries and then only during such hours and in such manner as may be prescribed by Landlord. Tenant shall schedule any such deliveries or moving in advance with Landlord. Landlord shall have the right to approve or disapprove the movers or moving company employed by Tenant and Tenant shall cause such movers to use only the loading facilities and elevators designated by Landlord. If Tenant's movers damage the elevators or any other part of the Building, Tenant shall pay to Landlord upon demand the amount required to repair such damage and restore the area to its previous condition.

5. Heavy Articles: No safe or article the weight of which may, in the reasonable opinion of Landlord, constitute a hazard or may cause damage to the Building or its equipment, shall be moved into the Premises. Safes and other heavy equipment, the weight of which (in the reasonable opinion of Landlord) will not constitute a hazard or cause damage to the Building or its equipment shall be moved into, from or about the Building only during such hours and in such manner as shall be prescribed by Landlord and Landlord shall have the right to designate the location of such articles in the Premises. Tenant shall not exceed the floor load for the Premises and shall obtain the floor load from the Landlord prior to moving or placing any heavy items.

6. Nuisance: Tenant shall not do or permit anything to be done in the Premises, or bring or keep anything therein which would in any way constitute a nuisance or waste, or obstruct or interfere with the rights of other tenants or occupants of the Building, or in any way injure them, or conflict with the laws relating to fire, or with any regulations of the fire department or with any insurance policy upon the Building or any part thereof, or violate any of the rules or ordinances of any governmental authority having jurisdiction over the Building (including, by way of illustration and not limitation, using the Premises for sleeping, lodging or cooking).

7. Building Security: Landlord may restrict access to and from the Premises and the Building outside of the Business Hours of the Building at any time for reasons of building security. Tenant shall not allow its visitors to wait or loiter in the corridors or common areas. All visitors must be escorted by an employee of the Tenant at all times. Landlord may require identification of persons entering and leaving the Building and, for this purpose, may issue Building passes to tenants of the Building. Landlord shall not be liable to any person (including, without limitation, Tenant) for excluding any person from the Building or for admission of any person to the Building at any time, or for damage, loss or theft resulting therefrom. Landlord reserves the right to expel or exclude from the Building any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Building. All doors which are normally locked in and around the Building shall be left locked by Tenant when the Premises are not in use. Corridor doors with a lockset shall not be left open at any time. Before leaving the Premises unattended, Tenant shall close and lock all doors and turn off the lights where applicable.

8. Pass Key: The janitor of the Building may at all times have available a pass key to the Premises, and the janitor and other agents of Landlord shall at all times be allowed admittance to the Premises. Unless explicitly permitted by the Lease, Tenant shall not employ any person other than Landlord’s contractors and employees for the purpose of cleaning and taking care of the Premises. Landlord shall not be responsible for any loss, theft, disappearance of or damage to, any property, however occurring, except to the extent caused by Landlord’s gross negligence or willful misconduct.

9. Locks and Keys for Premises: No additional lock or locks shall be placed by Tenant on any door in the Building and no existing lock shall be changed unless the written consent of Landlord shall first have been obtained. A reasonable number of keys to the Premises and to the toilet rooms, if locked by Landlord, will be furnished by Landlord, and Tenant shall not have any duplicate keys made. Landlord may also furnish to Tenant, at

Tenant's expense, a reasonable number of card keys or building passes permitting access and egress to and from the Building and elevators within the Building. The distribution and use of such card keys and passes by Tenant and its employees shall be subject at all times to such additional rules as Landlord may promulgate from time to time. At the termination of this Lease, Tenant shall promptly return to Landlord all keys, card keys and building passes to the Building, offices, toilet rooms, and parking facilities. Tenant shall promptly report to Landlord the loss or theft of any key, card key or building pass. Requests for additional keys, access cards, or building passes shall be honored by the Landlord and shall be charged to the Tenant.

10. Signs: Signs on Tenant's entrance door may be provided for Tenant by Landlord at Tenant's expense. No advertisement, sign or other notice shall be inscribed, painted or affixed on any part of the outside or inside of the Building, except upon the interior doors as permitted by Landlord, which advertisement, signs or other notices shall be of Building standard order, size and style, and at such places as shall be designated by Landlord. In addition, Landlord may but shall not be obligated to provide in the lobby of the Building, at Landlord's expense, a building directory which shall include Tenant's name.

11. Use of Water Fixtures: Water closets and other water fixtures shall not be used for any purpose other than for which the same are intended and no obstructing or improper substance shall be thrown, deposited or disposed of therein. Any damage resulting to the same from misuse on the part of Tenant shall be paid for by Tenant. No person shall waste water by tying back or wedging the faucets or in any other manner.

12. No Animals, Excessive Noise: No birds, fish, or other animals (other than disability assistance animals) shall be allowed in the Building. No person shall disturb the tenants of this or adjoining buildings or space by the use of any radio, musical instrument or singing, or by the making of loud or improper noises.

13. Bicycles: Bicycles or other vehicles shall not be permitted anywhere inside or on the sidewalks outside of the Building, except in those areas, if any, designated by Landlord as bicycle parking.

14. Trash: Tenant shall not allow anything to be placed on the outside of the Building, nor shall anything be thrown by Tenant out of the windows or doors, or down the corridors, elevator shafts, or ventilating ducts or shafts of the Building. All trash shall be placed in receptacles provided by Tenant on the Premises or in any receptacles provided by Landlord for the Building. Tenant will separate recyclable materials from other trash in accordance with Landlord's instructions. Tenant shall adhere to the Building recycling program. No materials or items shall be placed in the recycling centers unless authorized and instructed by the Landlord.

15. Windows and Entrance Doors: Window shades, blinds or curtains of a uniform Building standard color and pattern only shall be used for the exterior glass of the Building to give uniform color exposure through exterior windows. No awnings, blinds, shades or screens shall be attached to or hung in, or used in connection with any window or door of the Premises without the prior written consent of Landlord, including approval by Landlord of the quality, type, design, color and manner of attachment. Tenant entrance doors shall be kept closed at all times in accordance with the fire code.

16. Hazardous Operations and Items: Tenant shall not install or operate any steam or gas engine or boiler, or carry on any mechanical business in the Premises without Landlord's prior written consent, which consent may be withheld in Landlord's absolute discretion. The use of oil, gas or inflammable liquids for heating, lighting or any other purpose is expressly prohibited. No flammable, combustible or toxic fluid or substance and no explosives, firearms, or other articles deemed extra hazardous shall be brought into the Building. Tenant shall not cause or permit any gas, liquids or odors to be produced upon or emanate from the Premises.

17. Hours for Repairs, Maintenance and Alterations: Any repairs, maintenance and alterations required or permitted to be done by Tenant under the Lease shall be done only during the Business Hours of the Building unless Landlord shall have first consented in writing to such work being done outside of such times. If Tenant desires to have such work done by Landlord's employees on Saturdays, Sundays, Holidays or weekdays outside of Business Hours, Tenant shall pay the extra cost of such labor.

18. No Defacing of Premises: Except as permitted by Landlord, Tenant shall not mark upon, cut, drill into, drive nails or screws into, or in any way deface the doors, walls, ceilings, or floors of the Premises or of the Building, nor shall any connection be made to the electric wires or electric fixtures without the consent in writing on each occasion of Landlord or its agents, and any defacement, damage or injury caused by Tenant shall be paid for by Tenant.

19. Limit on Equipment: Tenant shall not, without Landlord's prior written consent, which consent shall not unreasonably be withheld, install or operate any new (i.e., after the Commencement Date) computer, duplicating or other large business machines or equipment, using more than 110 volts, 15 continuous load amps upon the Premises. If Tenant requires any interior wiring such as for a business machine, intercom, printing equipment or copying equipment, such wiring shall be done only by Landlord's electrician for the Building and at Tenant's expense. No electrical wiring shall be performed by any person unless previously approved in writing by Landlord or its representatives. Any degradation to the level of electric power quality, (i.e., harmonics, noise, spikes), in the Building, caused by Tenant equipment, or any Tenant equipment affected by the level of power quality in the Building shall be remediated by the Tenant. Any use of power strips shall comply with all code regulations with respect to length and type of service. If telegraphic or telephonic service is desired, the wiring for same shall be done as directed by the electrician of the Building or by some other employee of Landlord who may be instructed by the manager of the Building to supervise same, and no boring or cutting for wiring shall be done unless approved by Landlord or its representatives, as stated.

20. Solicitation, Food and Beverages: Landlord reserves the right to restrict, control or prohibit canvassing, soliciting and peddling within the Building. Tenant shall not grant any concessions, licenses or permission for the sale or taking of orders for food, alcoholic beverages, services or merchandise in the Premises, nor install or permit the installation or use of any machine or equipment for dispensing goods or foods or beverages in the Building, nor permit machine or equipment for dispensing goods or foods or beverages in the Building, nor permit the preparation, serving, distribution or delivery of food or beverages in the Premises without the approval of Landlord and in compliance with arrangements prescribed by Landlord. Only persons approved in writing by Landlord shall be permitted to serve, distribute, or deliver food and beverages within the Building, or to use the elevators or public areas of the Building for that purpose.

21. Balconies and Roof: Landlord shall have access to all balconies and the roof during all hours even when such access requires Landlord to pass through the Premises or window openings. Tenant shall not use or occupy the balconies or the roof or any part thereof for any purpose whatsoever.

22. Smoke Free Building: If the Building is a smoke free building the Tenant shall not permit any of its employees, agents contractors, subcontractors, invitees, guests, or visitors to smoke in the Premises or the Building.

23. Emergency Plans: Tenant shall support and assist the Landlord in the development and maintenance of emergency action plans, including assigning floor wardens and participating in fire drills.

24. Loading Docks: Tenant shall have the non-exclusive right to use the loading dock and related facilities for deliveries and moving upon prior coordination with, and approval of, Landlord which approval shall not be unreasonably withheld or delayed.

Exhibit 10.24

TAX MATTERS AGREEMENT

by and among

REYNOLDS GROUP HOLDINGS LIMITED,

REYNOLDS GROUP HOLDINGS INC.

and

REYNOLDS CONSUMER PRODUCTS INC.

Dated as of [ ]

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TAX MATTERS AGREEMENT

This TAX MATTERS AGREEMENT (the "**Agreement**") is entered into as of [●], 2020 by and among Reynolds Group Holdings Limited, a New Zealand limited company ("**RGHL**"), Reynolds Group Holdings Inc., a Delaware corporation ("**RGHI**") and Reynolds Consumer Products Inc., a Delaware corporation ("**RCPI**").

WITNESSETH:

WHEREAS, pursuant to the Tax laws of various jurisdictions, certain members of the RCPI Group presently file certain Tax Returns on an affiliated, consolidated, combined, unitary, fiscal unity or other group basis (including as permitted by Section 1501 of the Code) with certain members of the RGHL Group;

WHEREAS, RGHL, RGHI and RCPI have entered into a Transaction Implementation Agreement, dated as of the date hereof, as amended, modified or supplemented from time to time (the "**Transaction Implementation Agreement**"), pursuant to which the parties will effect certain transactions prior to the initial public offering of common stock of RCPI (the "**RCPI IPO**"), including the Pre-Distribution Transactions, the Contribution, the First Distribution, and the Second Distribution;

WHEREAS, RGHL, RGHI and RCPI desire to set forth their agreement on the rights and obligations of RGHL, RGHI, RCPI and the members of the RGHL Group, the RGHI Group and the RCPI Group respectively, with respect to certain tax matters; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

Section 1. *Definitions*.

(a) For the purposes of this Agreement the following terms shall have the following meanings:

"**Affiliate**" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with such specified Person. For purposes of determining whether a Person is an Affiliate, the term "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of securities, contract or otherwise, provided, however that, from and after the consummation of the RCPI IPO on the Distribution Date, no member of the RGHL Group shall be deemed to be an Affiliate of any member of the RCPI Group, and no member of the RCPI Group shall be deemed to be an Affiliate of any member of the RGHL Group.

"**Agreement**" has the meaning set forth in the preamble.

"**Applicable Law**" means, with respect to any Person, any federal, state, county, municipal, local, multinational or foreign statute, treaty, law, common law, ordinance, rule, regulation, order, writ, injunction, judicial decision, decree, permit or other legally binding requirement of any Governmental Authority applicable to such Person or any of its respective properties, assets, officers, directors, employees, consultants or agents (in connection with such officer's, director's, employee's, consultant's or agent's activities on behalf of such Person).

"**Business Day**" shall mean a day, other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to close.

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

"**Combined Group**" means any group that filed or was required to file (or will file or be required to file) a Tax Return on an affiliated, consolidated, combined, unitary, fiscal unity or other group basis (including as permitted by Section 1501 of the Code) that includes at least one member of the RGHL Group and at least one member of the RCPI Group.

"**Combined Tax Return**" means a Tax Return filed (or to be filed) for a Combined Group.

"**Combined Tax Return (RGHI)**" means any Combined Tax Return that does not include any member of the RGHL Group that is not also a member of the RGHI Group.

"**Combined Tax Return (RGHL)**" means any Combined Tax Return that is not a Combined Tax Return (RGHI).

"**Company**" means RGHL, RGHI or RCPI (or the appropriate member of each of their respective Groups), as appropriate.

"**Consumer Business**" means the consumer business operated by the RCPI Group, including the Reynolds Cooking & Baking segment, the Hefty Waste & Storage segment, the Hefty Tableware segment and the Presto Products segment described in the Form S-1 Registration Statement filed by RCPI on [●].

"**Continuing Arrangements"** means the agreements listed on Schedule A.

"**Contribution**" means (i) the contribution by RGHI to RCPI of (A) 100% of the interests in Reynolds Europe Services LLC and (B) a portion of the intercompany receivable owed by RCPI to RGHI and (ii) and any assumption of liabilities by RCPI from RGHI in connection with such contributions.

"**Distribution Date**" means the date on which the First Distribution and Second Distribution are consummated.

"**Distribution Taxes**" means any Taxes incurred as a result of the failure of the Intended Tax-Free Treatment of the Pre-Distribution Transactions, the Contribution, the First Distribution or the Second Distribution.

"**Distributions**" means the First Distribution and the Second Distribution.

"**Due Date**" has the meaning set forth in Section 10(a).

"**Equity Interests**" means any stock or other securities treated as equity for Tax purposes, options, warrants, rights, convertible debt, or any other instrument or security that affords any Person the right, whether conditional or otherwise, to acquire stock or to be paid an amount determined by reference to the value of stock.

"**Escheat Payment**" means any payment required to be made to a Governmental Authority pursuant to an abandoned property, escheat or similar law.

"**Final Determination**" means (i) a decision, judgment, decree, or other order by any court of competent jurisdiction, which has become final, (ii) any final determination of liability in respect of a Tax that, under Applicable Law, is not subject to further appeal, review or modification through proceedings or otherwise, or (iii) the payment of any Tax by any member of the RGHL Group or any member of the RCPI Group, whichever is responsible for payment of such Tax under Applicable Law, with respect to any item disallowed or adjusted by a Taxing Authority; *provided*, that the provisions of Section 13 hereof have been complied with, or, if such section is inapplicable, that the Company responsible under this Agreement for such Tax is notified by the Company paying such Tax that it has determined that no action should be taken to recoup such disallowed item, and the other Company agrees with such determination.

"**First Distribution**" means the distribution by RGHI of all of the common stock of RCPI to its shareholder.

"**First Distribution Effective Time**" means the time when the First Distribution occurs.

"**Governmental Authority**" means any multinational, foreign, domestic, federal, territorial, state or local governmental authority, quasi-governmental authority, instrumentality, court, government or self-regulatory organization, commission, tribunal or organization or any regulatory, administrative or other agency, or any political or other subdivision, department or branch of any of the foregoing.

"**Group**" (i) with respect to RGHI, RGHI and its subsidiaries (other than RCPI and its subsidiaries), (ii) with respect to RGHL, RGHL and its subsidiaries (other than RCPI and its subsidiaries) and (iii) with respect to RCPI, RCPI and its subsidiaries.

"**Indemnifying Party**" means the party from which another party is entitled to seek indemnification pursuant to the provisions of Section 9.

"**Indemnitee**" means the party which is entitled to seek indemnification from another party pursuant to the provisions of Section 9.

"**Intended Tax-Free Treatment**" means the qualification of (i) the Contribution and the First Distribution, taken together (a) as a reorganization described in 368(a)(1)(D) of the Code by reason of Section 355, (b) as a transaction in which the stock distributed thereby is "qualified property" for purposes of Sections 355(c) and 361(c) of the Code and (c) as a transaction in

which RGHI, RCPI and the holder of RGHI Common Stock recognize no income or gain for U.S. federal income tax purposes pursuant to Sections 355, 361 and 1032 of the Code, other than, in the case of RGHI and RCPI, any intercompany items or excess loss accounts taken into account pursuant to the Treasury Regulations promulgated pursuant to Section 1502 of the Code, (ii) the Second Distribution (a) as a distribution described in Section 355(a) of the Code, (b) as a transaction in which the stock distributed thereby is "qualified property" for purposes of Section 355(c) of the Code and (c) as a transaction in which RGHL, RCPI and the holder of RGHL Common Stock recognize no income or gain for U.S. federal income tax purposes pursuant to Sections 355 of the Code and (iii) the transactions described on Schedule B as being free from Tax to the extent set forth therein.

"**IRS**" means the United States Internal Revenue Service.

"**Past Practices**" has the meaning set forth in Section 4(c)(i).

"**Person**" has the meaning set forth in Section 7701(a)(1) of the Code.

"**PFL**" means Packaging Finance Limited, a New Zealand limited company.

"**Post-Distribution Period**" means any Taxable period (or portion thereof) beginning after the Distribution Date.

"**Pre-Distribution Period**" means any Taxable period (or portion thereof) ending on or before the Distribution Date.

"**Pre-Distribution Transactions**" means the transactions (other than the Contribution) undertaken prior to the First Distribution but in connection with the Contribution and the Distributions and described in the Step Plans.

"**RCPI Carried Item**" means any Tax Attribute of the RCPI Group that may or must be carried from one Taxable period to another prior Taxable period, or carried from one Taxable period to another subsequent Taxable period, under the Code or other Applicable Law.

"**RCPI Common Stock**" means the common stock, par value $0.001 per share, of RCPI.

"**RCPI Disqualifying Action**" means:

(a) any action (or the failure to take any action) by any member of the RCPI Group after the First Distribution Effective Time (including entering into any agreement, understanding or arrangement or any negotiations with respect to any transaction or series of transactions),

(b) any event (or series of events) after the First Distribution Effective Time involving the capital stock of RCPI or any assets of any member of the RCPI Group, and

(c) any breach by any member of the RCPI Group after the First Distribution Effective Time of any representation, warranty or covenant made by RCPI in this Agreement,

in each case, that would affect the Intended Tax-Free Treatment; *provided*, *however*, that the term "RCPI Disqualifying Action" shall not include (i) any action required to be taken pursuant to any Transaction Document (including the Registration Rights Agreement but excluding this Agreement) or that is undertaken pursuant to the Pre-Distribution Transactions, the Contribution, the First Distribution or the Second Distribution or (ii) an event described in clause (a) or (b) to the extent that no member of the RCPI Group takes any action to cause, facilitate or otherwise participate in such event and does not fail to take an available action that could have prevented such event.

"**RCPI**" has the meaning set forth in the preamble.

"**RCPI Separate Tax Return**" means any Tax Return (other than a Combined Tax Return) that is required to be filed by, or with respect to, any member of the RCPI Group.

"**RGHI**" has the meaning set forth in the preamble.

"**RGHI Separate Tax Return**" means any Tax Return (other than a Combined Tax Return) that is required to be filed by, or with respect to, solely members of the RGHI Group.

"**RGHL**" has the meaning set forth in the preamble.

"**RGHL Separate Tax Return**" means any Tax Return (other than a Combined Tax Return or an RGHI Separate Tax Return) that is required to be filed by, or with respect to, a member of the RGHL Group.

"**Second Distribution**" means the distribution by RGHL of all of the common stock of RCPI to its shareholder.

"**Section 482 Adjustment**" means any adjustment to taxable income under Section 482 of the Code and U.S. Treasury regulations thereunder.

"**Separate Tax Return**" means any (i) RGHI Separate Tax Return, (ii) RGHL Separate Tax Return or (iii) RCPI Separate Tax Return.

"**Tax**" (and the correlative meaning, "**Taxes**," "**Taxing**" and "**Taxable**") means (i) any tax, including any net income, gross income, gross receipts, recapture, alternative or add-on minimum, sales, use, business and occupation, value-added, trade, goods and services, ad valorem, franchise, profits, net wealth, license, business royalty, withholding, payroll, employment, capital, excise, transfer, recording, severance, stamp, occupation, premium, property, asset, real estate acquisition, environmental, custom duty, impost, obligation, assessment, levy, tariff or other tax, governmental fee or other like assessment or charge of any kind whatsoever (including, but not limited to, any Escheat Payment), together with any interest and any penalty, addition to tax or additional amount imposed by a Taxing Authority; or (ii) any liability of any member of the RGHL Group or the RCPI Group for the payment of any amounts described in clause (i) as a result of any express or implied obligation to indemnify any other Person.

"**Tax Arbiter**" has the meaning set forth in Section 16.

"**Tax Attribute**" means a net operating loss, net capital loss, unused investment credit, unused foreign tax credit, excess charitable contribution, unused general business credit, alternative minimum tax credit or any other Tax Item that could reduce a Tax liability.

"**Tax Benefit**" means any refund, credit, offset or other reduction in otherwise required Tax payments.

"**Tax Benefit Recipien**t" has the meaning set forth in Section 7(c).

"**Tax Counsel**" means Davis Polk & Wardwell LLP.

"**Tax Item**" means any item of income, gain, loss, deduction, credit, recapture of credit or any other item that can increase or decrease Taxes paid or payable.

"**Tax Opinion**" means an opinion of Tax Counsel as to certain aspect of the Intended Tax Treatment.

"**Tax Proceeding**" means any Tax audit, dispute, examination, contest, litigation, arbitration, action, suits, claim, cause of action, review, inquiry, assessment, hearing, complaint, demand, investigation or proceeding (whether administrative, judicial or contractual).

"**Tax Representation Letters**" means the representations provided by each of (i) RGHL (on behalf of itself and the RGHL Group), (ii) RCPI (on behalf of itself and the RCPI Group) and (iii) Mr. Graeme Hart (on behalf of himself, PFL and any Affiliate of Mr. Graeme Hart or PFL) to Tax Counsel in connection with the rendering by Tax Counsel of the Tax Opinion.

"**Tax Return**" means any Tax return, statement, report, form, election, bill, certificate, claim or surrender (including estimated Tax returns and reports, extension requests and forms, and information returns and reports), or statement or other document or written information filed or required to be filed with any Taxing Authority, including any amendment thereof, appendix, schedule or attachment thereto.

"**Taxing Authority**" means any Governmental Authority (domestic or foreign), including, without limitation, any state, municipality, political subdivision or governmental agency, responsible for the imposition, assessment, administration, collection, enforcement or determination of any Tax.

"**Transaction Implementation Agreement**" has the meaning set forth in the recitals.

"**Transaction Documents**" means this Agreement, the Transaction Implementation Agreement (and documents referred to therein), Registration Rights Agreement, Stockholders Agreement and the Continuing Arrangements.

(b) Any term used in this Agreement which is not defined in this Agreement shall, to the extent the context requires, have the meaning assigned to it in the Code or the applicable Treasury Regulations thereunder (as interpreted in administrative pronouncements and judicial decisions) or in comparable provisions of Applicable Law.

Section 2. *Sole Tax Sharing Agreement.* Any and all existing Tax sharing agreements or arrangements, written or unwritten, between any member of the RGHL Group, on the one hand, and any member of the RCPI Group, on the other hand, if not previously terminated, shall be terminated as of the Distribution Date without any further action by the parties thereto. Following the Distribution Date, no member of the RCPI Group or the RGHL Group shall have any further rights or liabilities thereunder, this Agreement shall be the sole Tax sharing agreement between the members of the RCPI Group on the one hand, and the members of the RGHL Group, on the other hand; provided, however, that this Section 2 shall not apply to agreements entered into in the ordinary course of business the primary subject matter of which is not related to Taxes.

Section 3. *Allocation of Taxes*.

(a) *General Allocation Principles*. This Section 3 shall govern the allocation of taxes for purposes of Sections 4, 7 and 9 of this Agreement. Except as provided in Section 3(b) all Taxes shall be allocated as follows:

(i) *Allocation of Taxes Reflected on Combined Tax Returns.*

(A) Pre-Distribution Combined Taxes. RGHI shall be allocated all Taxes required to be reported on any Combined Tax Return (RGHI) for any Pre-Distribution Period. RGHL shall be allocated all Taxes required to be reported on any Combined Tax Return (RGHL) for any Pre-Distribution Period.

(B) Post-Distribution Combined Taxes.

(1) RGHI shall be allocated all Taxes reported, or required to be reported, on any Combined Tax Return (RGHI) for any Post-Distribution Period and RGHL shall be allocated all Taxes reported, or required to be reported, on any Combined Tax Return (RGHL) for any Post-Distribution Period, in each case other than those Taxes described in Section 3(a)(i)(B)(2) below.

(2) RCPI shall be allocated all Taxes reported, or required to be reported, on any Combined Tax Return that are attributable to the RCPI Group or the Consumer Business, as reasonably determined by RGHL on a pro forma RCPI Group consolidated return prepared (A) including only Tax Items of members of the RCPI Group that were included in the relevant Combined Tax Return, (B) except as provided in (D) hereof, using all elections, accounting methods and conventions used on the relevant Combined Tax Return for such period, (C) applying the highest statutory marginal corporate income Tax rate in effect for such period and (D) assuming that the RCPI Group elects not to carry back any net operating losses.

(ii) *Allocation of Taxes Reflected on Separate Tax Returns*.

(A) RGHI Separate Tax Returns. RGHI shall be allocated all Taxes reported, or required to be reported, on an RGHI Separate Tax Return.

(B) RGHL Separate Tax Returns. RGHL shall be allocated all Taxes reported, or required to be reported, on an RGHL Separate Tax Return.

(C) RCPI Separate Tax Returns. RGHI shall be allocated all Taxes reported, or required to be reported, on an RCPI Separate Tax Return for a Pre-Distribution Period. RCPI shall be allocated all Taxes reported, or required to be reported, on an RCPI Separate Tax Return for a Post-Distribution Period.

(iii) *Taxes Not Reported on Tax Returns*.

(A) RGHI Taxes. RGHI shall be allocated any Tax attributable to any member of the RGHI Group that is not required to be reported on a Tax Return.

(B) RGHL Taxes. RGHL shall be allocated any Tax attributable to any member of the RGHL Group (other than a member of the RGHI Group) that is not required to be reported on a Tax Return.

(C) RCPI Taxes. RCPI shall be allocated all Taxes for a Post-Distribution Period attributable to any member of the RCPI Group that is not required to be reported on a Tax Return. RGHI shall be allocated all Taxes for a Pre-Distribution Period attributable to any member of the RCPI Group that is not required to be reported on a Tax Return.

(b) *Distribution Taxes*. Notwithstanding any other provision in this Section 3, any Taxes for which RCPI is required to indemnify a member of the RGHL Group under Section 9(a)(iii) or (iv) shall be allocated to RCPI.

Section 4. *Preparation and Filing of Tax Returns*.

(a) *Responsibility for Preparing Returns*.

(i) *RGHL Prepared Returns.* The RGHL Group shall prepare, or cause to be prepared, all (i) Combined Tax Returns, (ii) RGHL Separate Tax Returns, (iii) RGHI Separate Tax Returns and (iv) RCPI Separate Tax Returns for Pre-Distribution Periods.

(ii) *RCPI Prepared Returns*. RCPI shall prepare, or cause to be prepared, all RCPI Separate Tax Returns for Post-Distribution Periods.

(b) *Cooperation*.

(i) *Determination of Responsible Party.* RGHL, in consultation with RCPI, shall determine (A) whether a Combined Tax Return is required to be filed under Applicable Law and (B) the Person required to file any Combined Tax Return or Separate Tax Return under Applicable Law. To the extent permitted by law, such determination shall be consistent with past practice.

(ii) *Provision of Information.* RCPI shall maintain (or cause to be maintained) all information relating to the RCPI Group necessary for RGHL to prepare (or cause to be prepared) any Tax Return that RGHL is responsible for preparing under Section 4(a)(i) and shall provide to RGHL all such information. RGHL shall maintain (or cause to be maintained) all information relating to the RGHL Group that is necessary for RCPI to prepare any Tax Return that RCPI is responsible for preparing under Section 4(a)(ii) and shall provide to RCPI all such information.

(iii) *Right to Review Certain Combined Tax Returns*. If a member of the RCPI Group is required under Applicable Law to file any Combined Tax Return, RGHL shall submit a draft of such Tax Return to RCPI reasonably in advance of the applicable filing deadline. RCPI shall have the right to review such Tax Return, and to submit to RGHL any reasonable changes to the portions of such Tax Return that relate to the RCPI Group or the Consumer Business promptly, and in no event later than five (5) days prior to the due date for the filing of such Tax Return. RGHL shall modify such portion of such Tax Return to include any reasonable comments, provided that RGHL shall consider RCPI's comments in good faith but shall not be required to accept any comments with respect to Combined Tax Returns that relate to a Pre-Distribution Period.

(c) *Special Rules Relating to the Preparation of Tax Returns*.

(i) *General Rule*. Except as provided in this Section 4(c)(i), any Combined Tax Return related to a Pre-Distribution Period shall be prepared (A) in accordance with past practices, accounting methods, elections or conventions ("**Past Practices**") with respect to such Tax Return, and (B) to the extent any items, methods or positions are not covered by Past Practices, in accordance with reasonable Tax accounting practices selected by RGHL.

(ii) *Consistency with Intended Tax-Free Treatment*. All Tax Returns that include any member of the RGHL Group or any member of the RCPI Group shall be prepared in a manner that is consistent with the Intended Tax-Free Treatment.

(iii) *RCPI Separate Tax Returns*. With respect to any RCPI Separate Tax Return for which RCPI is responsible pursuant to this Agreement, RCPI and the other members of the RCPI Group shall include such Tax Items in such RCPI Separate Tax Return in a manner that is consistent with the inclusion of such Tax Items in any related Tax Return for which RGHL is responsible to the extent such Tax Items are allocated in accordance with this Agreement.

(iv) *Election to File Combined Tax Returns*. RGHL shall have the sole discretion to cause any Combined Tax Return to be filed if the filing of such Tax Return is elective under Applicable Law. Each member of the relevant Combined Group shall execute and file all applicable consents, elections and other documents as may be required, appropriate or otherwise requested by RGHL in connection with the filing of such Combined Tax Returns.

(d) *Payment of Taxes.* Each of RGHL, RGHI and RCPI shall pay (or cause to be paid) to the proper Taxing Authority the Tax shown as due on any Tax Return which a member of its respective Group is required to file under Applicable Law. If any member of the RGHL Group or the RGHI Group is required to make a payment to a Taxing Authority for Taxes allocated to RCPI under Section 3, RCPI shall pay the amount of such Taxes to such member of the relevant Group in accordance with Section 9 and Section 10. If any member of the RCPI Group is required to make a payment to a Taxing Authority for Taxes allocated to RGHL or RGHI under Section 3, RGHL or RGHI (as the case may be) shall pay the amount of such Taxes to RCPI in accordance with Section 9 and Section 10.

Section 5. *Apportionment of Earnings and Profits and Tax Attributes*.

(a) Tax Attributes arising in a Pre-Distribution Period will be allocated to (and the benefits and burdens of such Tax Attributes will inure to) the members of the RGHL Group and the members of the RCPI Group in accordance with RGHI's (and, where applicable, RGHL's) historical practice (including historical methodologies for making corporate allocations), the Code, Treasury Regulations, and any applicable state, local and foreign law, as determined by RGHL in its sole discretion.

(b) RGHL shall in good faith advise RCPI as soon as reasonably practicable after the close of the relevant Taxable period in which the First Distribution occurs in writing of the portion, if any, of any earnings and profits, Tax Attributes, tax basis, overall foreign loss or other consolidated, combined or unitary attribute which RGHL determines shall be allocated or apportioned to the members of the RCPI Group under Applicable Law. All members of the RCPI Group shall prepare all Tax Returns in accordance with such written notice. In the event of an adjustment to the earnings and profits, any Tax Attributes, tax basis, overall foreign loss or other consolidated, combined or unitary attribute determined by RGHL, RGHL shall promptly notify RCPI in writing of such adjustment. For the avoidance of doubt, RGHL shall not be liable to any member of the RCPI Group for any failure of any determination under this Section 5(b) to be accurate under Applicable Law, provided such determination was made in good faith.

(c) Except as otherwise provided herein, to the extent that the amount of any earnings and profits, Tax Attributes, tax basis, overall foreign loss or other consolidated, combined or unitary attribute allocated to members of the RGHL Group or the RCPI Group pursuant to Section 5(b) is later reduced or increased by a Taxing Authority or as a result of a Tax Proceeding, such reduction or increase shall be allocated to the Company to which such earnings and profits, Tax Attributes, tax basis, overall foreign loss or other consolidated, combined or unitary attribute was allocated pursuant to this Section 5, as determined by RGHL in good faith.

Section 6. *Utilization of Tax Attributes*.

(a) *Amended Returns.* Any amended Tax Return or claim for a refund with respect to any member of the RCPI Group may be made (i) by RCPI if for a Post-Distribution Period and (ii) by RGHL if for a Pre-Distribution Period.

(b) *RGHL Discretion*. RGHL shall be entitled to determine in its sole discretion whether to (x) file or to cause to be filed any claim for a refund or adjustment of Taxes with respect to any Combined Tax Return in order to claim in any Pre-Distribution Period any RCPI Carried Item, (y) make or cause to be made any available elections to waive the right to claim in any Pre-Distribution Period, with respect to any Combined Tax Return, any RCPI Carried Item, and (z) make or cause to be made any affirmative election to claim in any Pre-Distribution Period any RCPI Carried Item. Subject to Section 6(c), RCPI shall submit a written request to RGHL in order to seek RGHL's consent with respect to any of the actions described in this Section 6(b).

(c) *RCPI Carrybacks to Combined Tax Returns.*

(i) Each member of the RCPI Group shall elect, to the extent permitted by Applicable Law, to forgo the right to carry back any RCPI Carried Item from a Post-Distribution Period to any Combined Tax Return in respect of a Pre-Distribution Period, except to the extent that (i) a member of the RCPI Group determines that it is required by Applicable Law to carry back an RCPI Carried Item to a Tax Return in respect of a Pre-Distribution Period, in which case it shall notify RGHL in writing of such determination at least 90 days prior to filing the Tax Return on which such carryback will be reflected or (ii) RGHL consents to such carryback. If RGHL disagrees with any determination made by a member of the RCPI Group in respect of clause (i) of the preceding sentence, the parties shall resolve their disagreement pursuant to the procedures set forth in Section 16. RGHL shall consider in good faith any request by RCPI to carry back an RCPI Carried Item; *provided*, that RGHL shall have no obligation to consent to any carryback that would reasonably be expected to result in a Tax refund to the RCPI Group that does not exceed $500,000. If the RGHL Group (or any member thereof) receives (or realizes) a refund as a result of such a carryback, the applicable member of the RGHL Group shall remit the amount of such refund to RCPI in accordance with Section 7.

(d) *Carryforwards to Separate Tax Returns.* If a portion or all of any Tax Attribute is allocated to a member of a Combined Group pursuant to Section 5, and is carried forward or back to an RCPI Separate Tax Return, any Tax Benefits arising from such carryforward shall be retained by the RCPI Group. If a portion or all of any Tax Attribute is allocated to a member of a Combined Group pursuant to Section 5, and is carried forward or back to an RGHL Separate Tax Return, any Tax Benefits arising from such carryforward or carryback shall be retained by the RGHL Group.

Section 7. *Tax Benefits*.

(a) *RGHL Group Tax Benefits*. The RGHL Group shall be entitled to any Tax Benefits (including, in the case of any refund received, any interest thereon actually received) received by any member of the RGHL Group or any member of the RCPI Group, other than any Tax Benefits (or any amounts in respect of Tax Benefits) to which RCPI is entitled pursuant to Section 7(b). RCPI shall not be entitled to any Tax Benefits received by any member of the RGHL Group or the RCPI Group, except as set forth in Section 7(b).

(b) *RCPI Tax Benefits.* RCPI shall be entitled to any Tax Benefits (including, in the case of any refund received, any interest thereon actually received) received by any member of the RGHL Group or any member of the RCPI Group after the Distribution Date with respect to any Tax allocated to a member of the RCPI Group under this Agreement (including, for the avoidance of doubt, any amounts allocated to RCPI pursuant to Section 3(b)).

(c) A Company receiving (or realizing) a Tax Benefit to which another Company is entitled hereunder (a "**Tax Benefit Recipient**") shall pay over the amount of such Tax Benefit (including interest received from the relevant Taxing Authority, but net of any Taxes imposed with respect to such Tax Benefit and any other reasonable costs) within thirty (30) days of receipt thereof (or from the due date for payment of any Tax reduced thereby); *provided, however*, that the other Company, upon the request of such Tax Benefit Recipient, shall repay the amount paid to the other Company (plus any penalties, interest or other charges imposed by the relevant Taxing Authority) in the event that, as a result of a subsequent Final Determination, a Tax Benefit that gave rise to such payment is subsequently disallowed.

Section 8. *Certain Representations and Covenants*.

(a) *Representations*.

(i) RCPI represents to RGHI and RGHL that as of the Distribution Date, there is no plan or intention for RCPI or any member of the RCPI Group:

(A) to liquidate, merge or otherwise terminate RCPI or to merge or consolidate any member of the RCPI Group with any other Person subsequent to the Distributions, except for any transaction that is solely among members of the RCPI Group;

(B) to sell, transfer, convey or otherwise dispose of any material asset of any member of the RCPI Group, except in the ordinary course of business;

(C) to take or fail to take any action in a manner that is inconsistent with the written information and representations furnished by RCPI to Tax Counsel in connection with the Tax Representation Letters or Tax Opinion;

(D) to repurchase stock of RCPI;

(E) to take or fail to take any action in a manner that management of RCPI knows, or should know, is reasonably likely to contravene any agreement with a Taxing Authority entered into prior to the Distribution Date to which any member of the RCPI Group is a party; or

(F) to enter into any negotiations, agreements, or arrangements with respect to transactions or events (including stock issuances, pursuant to the exercise of options or otherwise, option grants, the adoption of, or authorization of shares under, a stock option plan, capital contributions, or acquisitions, but not including the Distributions) that could reasonably be expected to cause either of the Distributions to be treated as part of a plan (within the meaning of Section 355(e) of the Code) pursuant to which one or more Persons acquire directly or indirectly RCPI stock representing a 50% or greater interest within the meaning of Section 355(d)(4) of the Code.

(b) *Covenants.*

(i) RCPI shall not, and shall not permit any other member of the RCPI Group to, take or fail to take any action that constitutes an RCPI Disqualifying Action.

(ii) RCPI shall not, and shall not permit any other member of the RCPI Group to, take or fail to take any action that is inconsistent with the information and representations furnished by RCPI to Tax Counsel in connection with the Tax Representation Letters or Tax Opinion;

(iii) RCPI shall not, and shall not permit any other member of the RCPI Group to, take or fail to take any action that management of RCPI knows, or should know, is reasonably likely to contravene any agreement with a Taxing Authority entered into prior to the Distribution Date to which any member of the RCPI Group or the RGHL Group is a party;

(iv) For the one-year period following the Distribution Date, RCPI shall not, and shall not permit (I) any other member of the RCPI Group, (II) any officer or director of a member of the RCPI Group, or (III) any person with the implicit or explicit permission of RCPI or any person described in clauses (I) or (II), to enter into any discussions or other communications with any underwriter or investment bank relating to any secondary offering of shares of RCPI.

(v) During the two-year period following the Distribution Date:

(A) RCPI shall (I) continue, independently and with its separate employees, the active conduct of the Consumer Business for purposes of Section 355(b)(2) of the Code and (II) not engage in any transaction that would result in it ceasing to be a company engaged in the Consumer Business for purposes of Section 355(b)(2) of the Code, taking into account Section 355(b)(3) of the Code for purposes of each of clauses (I) and (II);

(B) RCPI shall not repurchase stock of RCPI in a manner contrary to the requirements of Section 4.05(1)(b) of IRS Revenue Procedure 96-30 (as in effect prior to the amendment of such Revenue Procedure by IRS Revenue Procedure 2003-48) or inconsistent with any representations made by RCPI to Tax Counsel in connection with the Tax Representation Letters;

(C) RCPI shall not, and shall not agree to, merge, consolidate, amalgamate or otherwise participate in an acquisition transaction with any other Person (other than a merger in which RCPI is the surviving entity and in connection with which no Equity Interest is issued by any Person);

(D) RCPI shall not, and shall not permit any other member of the RCPI Group to, or to agree to, sell or otherwise issue to any Person any Equity Interests of RCPI or of any other member of the RCPI Group (other than sales or issuances of Equity Interests of a member of the RCPI Group (other than RCPI) to another member of the RCPI Group); *provided*, *however*, that (I) RCPI may issue its common stock in a public offering as described under Section 8(c)(i) below and (II) RCPI may issue Equity Interests to the extent such issuances satisfy Safe Harbor VIII (relating to acquisitions in connection with a person's performance of services) or Safe Harbor IX (relating to acquisitions by a retirement plan of an employer) of Treasury Regulations Section 1.355-7(d) and (III) RCPI may issue Equity Interests not otherwise described in clauses (I) or (II) hereof to the extent such issuances do not exceed, in the aggregate, 1% of the RCPI stock then outstanding;

(E) RCPI shall not, and shall not permit any other member of the RCPI Group to (I) solicit any Person to make a tender offer for, or otherwise acquire or sell, the Equity Interests of RCPI, (II) participate in or support any unsolicited tender offer for, or other acquisition, issuance or disposition of, the Equity Interests of RCPI, or (III) approve or otherwise permit any proposed business combination or any acquisition of RCPI;

(F) RCPI shall not, and shall not permit any other member of the RCPI Group to, amend its certificate of incorporation (or other organizational documents), or take any other action, whether through a stockholder vote or otherwise, affecting the voting rights of the Equity Interests of RCPI (including, without limitation, through the conversion of one class of Equity Interests of RCPI into another class of Equity Interests of RCPI).

(vi) RCPI shall not take or fail to take, or permit any other member of the RCPI Group to take or fail to take, any action which prevents or could reasonably be expected to result in Tax treatment that is inconsistent with the Intended Tax-Free Treatment.

(c) *RCPI Covenants Exceptions.* Notwithstanding the provisions of Section 8(b), RCPI and the other members of the RCPI Group may:

(i) effect an issuance of shares of RCPI common stock by RCPI in one or more primary public offerings not to exceed, in the aggregate, 45% of the then-outstanding stock of RCPI;

(ii) pay cash to acquire assets in arm's length transactions, engage in transactions that are disregarded for U.S. federal tax purposes, and make mandatory or optional repayments or prepayments of indebtedness;

(iii) take any action required under the Transaction Documents; and

(iv) in the case of any other action that would reasonably be expected to be inconsistent with the covenants contained in Section 8(b), if either:

(A) RCPI notifies RGHL of its proposal to take such action and RCPI and RGHL obtain a ruling from the IRS to the effect that such action will not affect the Intended Tax-Free Treatment; provided, that RCPI agrees in writing to bear any expenses associated with obtaining such a ruling and; provided, further, that the RCPI Group shall not be relieved of any liability under Section 9(a) of this Agreement by reason of seeking or having obtained such a ruling; or

(B) RCPI notifies RGHL of its proposal to take such action and obtains an opinion of counsel (A) from a Tax advisor recognized as an expert in federal income Tax matters and acceptable to RGHL in its sole discretion, (B) on which RGHL may rely and (C) to the effect that such action "should" not affect the Intended Tax-Free Treatment, unless RCPI obtains the prior written consent of RGHL waiving the requirement that RCPI obtain such tax opinion, such waiver to be provided in RGHL's sole and absolute discretion; provided, that the RCPI Group shall not be relieved of any liability under Section 9(a) of this Agreement by reason of having obtained such an opinion or receiving such RGHL consent.

Section 9. *Indemnities*.

(a) *RCPI Indemnity to RGHL Group*. RCPI will indemnify each member of the RGHL Group against, and hold them harmless, without duplication, from:

(i) any Taxes allocated to the RCPI Group pursuant to Section 3;

(ii) any Taxes imposed on a member of the RGHL Group as a result of the deemed income inclusion from a Section 482 Adjustment relating to the payment terms of the Continuing Arrangements;

(iii) any Taxes (including Distribution Taxes) attributable to a breach, after the Distribution Effective Time, by RCPI or any other member of the RCPI Group of any representation or covenant contained in this Agreement;

(iv) any Taxes (including Distribution Taxes) attributable to an RCPI Disqualifying Action (including Distribution Taxes) resulting from any action for which the conditions set forth in Section 8(c)(iv) are satisfied; and

(v) all liabilities, costs, expenses (including, without limitation, reasonable expenses of investigation and attorneys' fees and expenses), losses, damages, assessments, settlements or judgments arising out of or incident to the imposition, assessment or assertion of any Tax liability or damage described in (i), (ii), (iii), or (iv) including those incurred in the contest in good faith in appropriate proceedings relating to the imposition, assessment or assertion of any such Tax, liability or damage.

(b) *RGHL and RGHI Indemnities to RCPI Group*.

(i) Except in the case of any liabilities described in Section 9(a) or Section 9(b)(ii), RGHL will indemnify each member of the RCPI Group against, and hold them harmless, without duplication, from:

(A) any Taxes allocated to the RGHL Group pursuant to Section 3; and

(B) all liabilities, costs, expenses (including, without limitation, reasonable expenses of investigation and attorneys' fees and expenses), losses, damages, assessments, settlements or judgments arising out of or incident to the imposition, assessment or assertion of any Tax liability or damage described in (A), including those incurred in the contest in good faith in appropriate proceedings relating to the imposition, assessment or assertion of any such Tax, liability or damage;

(ii) Except in the case of any liabilities described in Section 9(a), RGHI will indemnify each member of the RCPI Group against, and hold them harmless, without duplication, from:

(A) any Taxes allocated to the RGHI Group pursuant to Section 3; and

(B) any Taxes imposed on a member of the RCPI Group as a result of the deemed income inclusion from a Section 482 Adjustment relating to the payment terms of the Continuing Arrangements;

(C) all liabilities, costs, expenses (including, without limitation, reasonable expenses of investigation and attorneys' fees and expenses), losses, damages, assessments, settlements or judgments arising out of or incident to the imposition, assessment or assertion of any Tax liability or damage described in (A) or (B), including those incurred in the contest in good faith in appropriate proceedings relating to the imposition, assessment or assertion of any such Tax, liability or damage.

(c) *Discharge of Indemnity*. RCPI, RGHL, RGHI and the members of their respective Groups shall discharge their obligations under Section 9(a) or Section 9(b) hereof, respectively, by paying the relevant amount in accordance with Section 10, within five Business Days of demand therefor or, to the extent such amount is required to be paid to a Taxing Authority prior to the expiration of such five Business Days, at least two Business Days prior to the date by which the demanding party is required to pay the related Tax liability. Any such demand shall include a statement showing the amount due under Section 9(a) or Section 9(b), as the case may be. Notwithstanding the foregoing, if any member of the RCPI Group or any member of the RGHL Group disputes in good faith the fact or the amount of its obligation under Section 9(a) or Section 9(b), then no payment of the amount in dispute shall be required until any such good faith dispute is resolved in accordance with Section 16 hereof; *provided*, *however*, that any amount not paid within five Business Days of demand therefor shall bear interest as provided in Section 10.

(d) *Tax Benefits*. If an indemnification obligation of any Indemnifying Party under this Section 9 arises in respect of an adjustment that makes allowable to an Indemnitee any Tax Benefit which would not, but for such adjustment, be allowable, then any such indemnification obligation shall be an amount equal to (i) the amount otherwise due but for this Section 9(d), minus (ii) the reduction in actual cash Taxes payable by the Indemnitee in the taxable year such indemnification obligation arises, determined on a "with and without" basis.

Section 10. *Payments*.

(a) *Timing*. All payments to be made under this Agreement (excluding, for the avoidance of doubt, any payments to a Taxing Authority described herein) shall be made in immediately available funds. Except as otherwise provided, all such payments will be due five Business Days after the receipt of notice of such payment or, where no notice is required, five Business Days after the fixing of liability or the resolution of a dispute (the "**Due Date**"). Payments shall be deemed made when received. Any payment that is not made on or before the Due Date shall bear interest at the rate equal to the "prime" rate as published on such Due Date in the Wall Street Journal, Eastern Edition, for the period from and including the date immediately following the Due Date through and including the date of payment.

(b) *Payors and Payees*. With respect to any payment required to be made under this Agreement, (i) if such payment is required to be made by a member of the RCPI Group, such payment shall be made to RGHI (or a member of the RGHI Group designated, by written notice to RCPI, by RGHI) and (ii) if such payment is required to be made by a member of the RGHL Group, RGHL shall have the right to designate, by written notice to RCPI, which member of the RGHL Group will make such payment.

(c) *Treatment of Payments*. To the extent permitted by Applicable Law,

(i) any payment made by RCPI or any member of the RCPI Group to RGHI or any member of the RGHI Group pursuant to this Agreement (other than in respect of Taxes allocated to RGHI in respect of a Post-Distribution Period) shall be treated by the parties hereto for all Tax purposes as a distribution by RCPI to RGHI, immediately prior to the First Distribution;

(ii) any payment made by RGHI or any member of the RGHI Group to RCPI or any member of the RCPI Group pursuant to this Agreement (other than in respect of Taxes allocated to RGHI in respect of a Post-Distribution Period) or the Transaction Implementation Agreement shall be treated by the parties hereto for all Tax purposes as a capital contribution from RGHI to RCPI, immediately prior to the First Distribution;

(iii) any payment made by RGHL or any member of the RGHL Group (other than any member of the RGHI Group) to RCPI or any member of the RCPI Group pursuant to this Agreement (other than in respect of Taxes allocated to RGHL in respect of a Post-Distribution Period) shall be treated by the parties hereto for all Tax purposes as a contribution by RGHL to RCPI immediately prior to the Second Distribution;

(iv) notwithstanding the forgoing, any payment made pursuant to Section [3] of the Transaction Implementation Agreement shall instead be treated as if the party required to make a payment of received amounts had received such amounts as agent for the other party; and

(v) in the event that a Taxing Authority asserts that a party's treatment of a payment described in this Section 10(b) should be other than as required herein, such party shall use its reasonable best efforts to contest such assertion in a manner consistent with Section 13 of this Agreement.

(d) *No Duplicative Payment.* It is intended that the provisions of this Agreement shall not result in a duplicative payment of any amount required to be paid under the Transaction Implementation Agreement or any other Transaction Document, and this Agreement shall be construed accordingly.

Section 11. *Actions by the Group*. RGHL or RCPI, as the case may be, shall cause each member of the RGHL Group or the RCPI Group, respectively, to perform the obligations required under this Agreement.

Section 12. *Communication and Cooperation*.

(a) *Consult and Cooperate.* RGHL and RCPI shall consult and cooperate (and shall cause each other member of their respective Groups to consult and cooperate) fully at such time and to the extent reasonably requested by the other party in connection with all matters subject to this Agreement. Such cooperation shall include, without limitation:

(i) the retention, and provision on reasonable request, of any and all information including all books, records, documentation or other information pertaining to Tax matters relating to the RCPI Group (or, in the case of any Tax Return of the RGHL Group, the portion of such return that relates to Taxes for which the RCPI Group may be liable pursuant to this Agreement), any necessary explanations of information, and access to personnel, until one year after the expiration of the applicable statute of limitation (giving effect to any extension, waiver or mitigation thereof);

(ii) the execution of any document that may be necessary (including to give effect to Section 13) or helpful in connection with any required Tax Return or in connection with any audit, proceeding, suit or action; and

(iii) the use of the parties' commercially reasonable efforts to obtain any documentation from a Governmental Authority or a third party that may be necessary or helpful in connection with the foregoing.

(b) *Provide Information.* Except as set forth in Section 13, RGHL and RCPI shall keep each other reasonably informed with respect to any material development relating to the matters subject to this Agreement.

(c) *Tax Attribute Matters.* RGHL and RCPI shall promptly advise each other with respect to any proposed Tax adjustments that are the subject of an audit or investigation, or are the subject of any proceeding or litigation, and that may affect any Tax liability or any Tax Attribute (including, but not limited to, basis in an asset or the amount of earnings and profits) of any member of the RCPI Group or any member of the RGHL Group, respectively.

(d) *Confidentiality and Privileged Information*. Any information or documents provided under this Agreement shall be kept confidential by the party receiving the information or documents, except as may otherwise be necessary in connection with the filing of required Tax Returns or in connection with any audit, proceeding, suit or action. Without limiting the foregoing (and notwithstanding any other provision of this Agreement or any other agreement), (i) no member of the RGHL Group or RCPI Group, respectively, shall be required to provide any member of the RCPI Group or RGHL Group, respectively, or any other Person access to or copies of any information or procedures other than information or procedures that relate solely to RCPI, the business or assets of any member of the RCPI Group, or matters for which RCPI or RGHL Group, respectively, has an obligation to indemnify under this Agreement, and (ii) in no event shall any member of the RGHL Group or the RCPI Group, respectively, be required to provide any member of the RCPI Group or RGHL Group, respectively, or any other Person access to or copies of any information if such action could reasonably be expected to result in the waiver of any privilege. Notwithstanding the foregoing, in the event that RGHL or RCPI, respectively, determines that the provision of any information to any member of the RCPI Group or RGHL Group, respectively, could be commercially detrimental or violate any law or agreement to which RGHL or RCPI, respectively, is bound, RGHL or RCPI, respectively, shall not be required to comply with the foregoing terms of this Section 12(d) except to the extent that it is able, using commercially reasonable efforts, to do so while avoiding such harm or consequence (and shall promptly provide notice to RGHL or RCPI, to the extent such access to or copies of any information is provided to a Person other than a member of the RGHL Group or RCPI Group (as applicable)).

Section 13. *Audits and Contest*.

(a) *Notice*. Each of RGHL or RCPI shall promptly notify the other in writing upon the receipt of any notice of Tax Proceeding from the relevant Taxing Authority that may affect the liability of any member of the RCPI Group or the RGHL Group, respectively, for Taxes under Applicable Law or this Agreement; *provided*, that a party's right to indemnification under this Agreement shall not be limited in any way by a failure to so notify, except to the extent that the indemnifying party is prejudiced by such failure

(b) *Control*. In the case of any Tax Proceeding with respect to a Tax Return other than a Combined Tax Return, the Party having the liability for the Tax pursuant to Section 3 hereof shall have the sole responsibility and right to control the prosecution of such Tax Proceeding, including the exclusive right to communicate with agents of the applicable Taxing Authority and to control, resolve, settle, or agree to any deficiency, claim, or adjustment proposed, asserted, or assessed in connection with or as a result of such Tax Proceeding. Notwithstanding anything in this Agreement to the contrary but subject to Section 13(d), RGHL shall have the right to control all matters relating to any Tax Return, or any Tax Proceeding, with respect to any Tax matters of a Combined Group or any member of a Combined Group (as such). RGHL shall have absolute

discretion with respect to any decisions to be made, or the nature of any action to be taken, with respect to any Tax matter described in the preceding sentence; *provided, however*, that to the extent that any Tax Proceeding relating to such a Tax matter is reasonably likely to give rise to an indemnity obligation of RCPI under Section 9 hereof, (i) RGHL shall keep RCPI informed of all material developments and events relating to any such Tax Proceeding described in this proviso and (ii) at its own cost and expense, RCPI shall have the right to participate in (but not to control) the defense of any such Tax Proceeding.

(c) *RCPI Assumption of Control; Non-Distribution Taxes*. If RGHL determines that the resolution of any matter pursuant to a Tax Proceeding (other than a Tax Proceeding relating to Distribution Taxes) is reasonably likely to have an adverse effect on the RCPI Group with respect to any Post-Distribution Period, RGHL, in its sole discretion, may permit RCPI to elect to assume control over the disposition of such matter at RCPI's sole cost and expense; *provided, however*, that if RCPI so elects, it will (i) be responsible for the payment of any liability arising from the disposition of such matter notwithstanding any other provision of this Agreement to the contrary and (ii) indemnify each member of the RGHL Group for any increase in a liability and any reduction of a Tax asset of such member of the RGHL Group arising from such matter.

(d) *RCPI Participation; Distribution Taxes*. RGHL shall have the right to control any Tax Proceeding relating to Distribution Taxes; *provided*, that RGHL shall keep RCPI fully informed of all material developments and shall permit RCPI (at its own cost and expense) a reasonable opportunity to participate in (but not to control) the defense of the matter.

Section 14. *Costs and Expenses.* Except as expressly set forth in this Agreement, each party shall bear its own costs and expenses incurred pursuant to this Agreement. For purposes of this Agreement, costs and expenses shall include, but not be limited to, reasonable attorneys' fees, accountants' fees and other related professional fees and disbursements. For the avoidance of doubt, unless otherwise specifically provided in the Transaction Documents, all liabilities, costs and expenses incurred in connection with this Agreement by or on behalf of RCPI or any member of the RCPI Group in any Pre-Distribution Period shall be the responsibility of RGHI and shall be assumed in full by RGHI.

Section 15. *Effectiveness; Termination and Survival.* Except as expressly set forth in this Agreement, as between RGHI and RCPI, this Agreement shall become effective upon the consummation of the First Distribution, and as between RGHL and RCPI, this Agreement shall become effective upon the consummation of the Second Distribution. All rights and obligations arising hereunder shall survive until they are fully effectuated or performed; *provided* that, notwithstanding anything in this Agreement to the contrary, this Agreement shall remain in effect and its provisions shall survive for one year after the full period of all applicable statutes of limitation (giving effect to any extension, waiver or mitigation thereof) and, with respect to any claim hereunder initiated prior to the end of such period, until such claim has been satisfied or otherwise resolved.

Section 16. *Dispute Resolution.* In the event of any dispute relating to this Agreement, the parties shall work together in good faith to resolve such dispute within 30 days. In the event that such dispute is not resolved, upon written notice by a party after such 30-day period, the matter shall be referred to a U.S. Tax counsel or other Tax advisor of recognized national standing (the "**Tax Arbiter**") that will be jointly chosen by the disputing parties; *provided, however*, that, if such parties do not agree on the selection of the Tax Arbiter after five (5) days of good faith negotiation, the Tax Arbiter shall consist of a panel of three U.S. Tax counsel or other Tax advisor of recognized national standing with one member chosen by RGHL, one member chosen by RCPI, and a third member chosen by mutual agreement of the other members within the following ten (10)-day period. Each decision of a panel Tax Arbiter shall be made by majority vote of the members. The Tax Arbiter may, in its discretion, obtain the services of any third party necessary to assist it in resolving the dispute. The Tax Arbiter shall furnish written notice to the parties to the dispute of its resolution of the dispute as soon as practicable, but in any event no later than ninety (90) days after acceptance of the matter for resolution. Any such resolution by the Tax Arbiter shall be binding on the parties, and the parties shall take, or cause to be taken, any action necessary to implement such resolution. All fees and expenses of the Tax Arbiter shall be shared equally by the parties to the dispute.

Section 17. *Authorization, Etc.* Each of the parties hereto hereby represents and warrants that it has the power and authority to execute, deliver and perform this Agreement, that this Agreement has been duly authorized by all necessary corporate action on the part of such party, that this Agreement constitutes a legal, valid and binding obligation of each such party, and that the execution, delivery and performance of this Agreement by such party does not contravene or conflict with any provision or law or of its charter or bylaws or any agreement, instrument or order binding on such party.

Section 18. *Change in Tax Law.* Any reference to a provision of the Code, Treasury Regulations or any other Applicable Law shall include a reference to any applicable successor provision of the Code, Treasury Regulations or other Applicable Law.

Section 19. *Principles.* This Agreement is intended to calculate and allocate certain Tax liabilities of the members of the RCPI Group and the members of the RGHL Group to RCPI and RGHL (and their respective Groups), and any situation or circumstance concerning such calculation and allocation that is not specifically contemplated by this Agreement shall be dealt with in a manner consistent with the underlying principles of calculation and allocation in this Agreement.

Section 20. *Governing Law*. This Agreement, and any claim, suit, action or proceeding in any way arising out of or relating to this Agreement, the negotiation, execution or performance of this Agreement, or the transactions contemplated hereby (whether in law or in equity, and whether in contract or in tort or otherwise), shall be governed by and enforced pursuant to the laws of the State of Delaware.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the day and year first written above.

REYNOLDS GROUP HOLDINGS LIMITED

By: _____
Name:
Title:

REYNOLDS GROUP HOLDINGS INC.

By: _____
Name:
Title:

REYNOLDS CONSUMER PRODUCTS INC.

By: _____
Name:
Title:

Exhibit 10.26

STOCKHOLDERS AGREEMENT

dated as of

[ ]

among

REYNOLDS CONSUMER PRODUCTS INC.

and

PACKAGING FINANCE LIMITED

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STOCKHOLDERS AGREEMENT

This STOCKHOLDERS AGREEMENT (as the same may be amended from time to time in accordance with its terms, the "**Agreement**") is entered into as of [ ], by and among Reynolds Consumer Products Inc., a Delaware corporation (the "**Company**"), and Packaging Finance Limited, a company incorporated pursuant to the laws of New Zealand ("**PFL**").

W I T N E S S E T H:

WHEREAS, the Company is currently contemplating an underwritten initial public offering (the "**IPO**") of shares of its Common Stock;

WHEREAS, in connection with, and effective upon, the completion of the IPO (such date of completion, the "**IPO Date**") of the Company, the Company and the Stockholder (as defined in Section 1.01 hereof) wish to set forth certain understandings between such parties, including with respect to certain governance matters; and

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

ARTICLE 1
DEFINITIONS

Section 1.01. *Definitions.* (a) As used in this Agreement, the following terms have the following meanings:

"**Affiliate**" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person; *provided* that no security holder of the Company shall be deemed an Affiliate of the Company or any other security holder of the Company solely by reason of any investment in the Company or the existence or exercise of any rights or obligations under this Agreement or the Company Securities held by such security holder. For the purpose of this definition, the term "**control**" (including, with correlative meanings, the terms "**controlling**", "**controlled by**" and "**under common control with**"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"**Aggregate Ownership**" means, with respect to any Stockholder or group of Stockholders, the total number of Shares (as determined on a Common Equivalents basis) Beneficially Owned (as defined below) (without duplication) by such Stockholder or group of Stockholders as of the date of such calculation.

"**Beneficially Own**" has the meaning set forth in Rule 13d-3 promulgated under the Exchange Act.

"**Board**" means the board of directors of the Company.

"**Business Day**" means any day except a Saturday, Sunday or other day on which commercial banks in New York City are authorized by law to close.

"**Charter**" means the Amended and Restated Certificate of Incorporation of the Company, as the same may be amended from time to time.

"**Common Equivalents**" means (i) with respect to Common Stock, the number of Shares, (ii) with respect to any Company Securities that are convertible into or exchangeable for Common Stock, the number of Shares issuable in respect of the conversion or exchange of such securities into Common Stock.

"**Common Stock**" means the common stock, par value $0.001 per share, of the Company and any other security into which such Common Stock may hereafter be converted or changed.

"**Company Securities**" means (i) the Common Stock and (ii) securities that entitle the holder to vote in the election of directors to the Board that are convertible into or exchangeable for Common Stock.

"**Director**" means any director of the Company from time to time.

"**Exchange**" means the Nasdaq Global Select Market or such other stock exchange or securities market on which the Shares are listed.

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

"**Governing Documents**" means the Charter, as amended or modified from time to time, and the amended and restated by-laws of the Company, as amended or modified from time to time.

"**Independent Director**" means an "independent director" as such term is used in the listing requirements of the Exchange.

"**Necessary Action**" means, with respect to a specified result, all actions (to the extent such actions are permitted by law and by the Governing Documents) necessary to cause such result, including (i) voting or providing a written consent or proxy with respect to the Company Securities, (ii) causing the adoption of shareholders' resolutions and amendments to the Governing Documents, (iii) causing Directors (to the extent such Directors were nominated or designated by the Person obligated to undertake the Necessary Action, and subject to any fiduciary duties that such Directors may have as Directors) to act in a certain manner or causing them to be removed in the event they do not act in such a manner, (iv) executing agreements and instruments, and (v) making, or causing to be made, with governmental, administrative or regulatory authorities, all filings, registrations or similar actions that are required to achieve such result.

"**Permitted Assigns**" means with respect to the Stockholder, (i) its Affiliates; (ii) any entity that is Beneficially Owned by Mr. Graeme Richard Hart (or his estate, heirs, executor, administrator or other personal representative, or any of his immediate family members or any trust, fund or other entity which is controlled by his estate, heirs

or any of his immediate family members); (iii) any Affiliate of Mr. Graeme Richard Hart or any entity that is Beneficially Owned by Mr. Graeme Richard Hart (or his estate, heirs, executor, administrator or other personal representative, or any of his immediate family members or any trust, fund or other entity which is controlled by his estate, heirs or any of his immediate family members) and (iv) any other Transferee of all of the Shares held at any time by the Stockholder, in each case that is a Transferee of Shares which are Transferred other than pursuant to a widely distributed public sale that agrees in writing to become party to, and be bound to the same extent as its Transferor by the terms of, this Agreement, in the form of Exhibit A hereto; provided, that upon such Transfer, such Permitted Assign shall be deemed to be a "Stockholder" hereto for all purposes herein.

"**Person**" means an individual, corporation, limited liability company, partnership, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"**PFL**" has the meaning set forth in the recitals to this Agreement and shall include its successors by merger, acquisition, reorganization or otherwise.

"**Shares**" means the outstanding shares of Common Stock.

"**Stockholder**" means PFL and its Permitted Assigns who shall then be a party to or bound by this Agreement, so long as such Person shall Beneficially Own any Company Securities.

"**Subsidiary**" means, with respect to any Person, any entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by such Person.

"**Total Number of Directors**" means the total number of directors comprising the Board from time to time.

"**Transfer**" (including its correlative meanings, "Transferor", Transferee" and "Transferred") means, with respect to any security, directly or indirectly, to sell, contract to sell, give, assign, hypothecate, pledge, charge, encumber, grant a security interest in, offer, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any economic, voting or other rights in or to such security. When used as a noun, "Transfer" shall have such correlative meaning as the context may require.

(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Stockholder Designee	2.01
Company	Preamble
Confidential Information	3.02(b)
Representatives	3.02(b)

Section 1.02. *Other Definitional and Interpretative Provisions.* The words "hereof", "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections and Exhibits are to Articles, Sections and Exhibits of this Agreement unless otherwise specified. All Exhibits annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule, but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import. "Writing", "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any law include all rules and regulations promulgated thereunder. References to any Person include the successors and Permitted Assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively.

ARTICLE 2
CORPORATE GOVERNANCE

Section 2.01. *Composition of the Board.* (a) The members of the Board shall be nominated and elected in accordance with the Governing Documents and the provisions of this Agreement. Effective as of the IPO Date, the Board shall be comprised of seven Directors, which Directors shall initially be Lance Mitchell, Gregory Cole, Thomas Degnan, Helen Golding, Marla Gottschalk, Richard Noll, and one vacancy, with such vacancy to be filled with the nominee of the Stockholder pursuant to this Agreement. The Chairman of the Board shall initially be Richard Noll.

(b) From and after the date hereof, the Stockholder shall have the right, but not the obligation, to nominate a number of designees to the Board, equal to: (i) the Total Number of Directors so long as the Stockholder's Aggregate Ownership of Shares (as determined on a Common Equivalents basis) continues to be at least 50% of all Shares (as determined on a Common Equivalents basis); (ii) the highest whole number that is greater than 50% of the Total Number of Directors so long as the Stockholder's Aggregate Ownership of Shares (as determined on a Common Equivalents basis) continues to be at least 40% (but less than 50%) of all Shares (as determined on a Common Equivalents basis); (iii) the highest whole number that is greater than 40% of the Total Number of Directors so long as the Stockholder's Aggregate Ownership of all Shares (as determined on a Common Equivalents basis) continues to be at least 30% (but less than 40%) of all Shares (as determined on a Common Equivalents basis); (iv) the highest whole number that is greater than 25% of the Total Number of Directors so long as the Stockholder's Aggregate Ownership of Shares (as determined on a Common

Equivalents basis) continues to be at least 20% (but less than 30%) of all Shares (as determined on a Common Equivalents basis); and (v) the highest whole number (such number always being equal to or greater than one) that is greater than 10% of the Total Number of Directors so long as the Stockholder's Aggregate Ownership of Shares (as determined on a Common Equivalents basis) continues to be at least 10% (but less than 20%) of all Shares (as determined on a Common Equivalents basis). In the event that the Stockholder has nominated less than the total number of designees the Stockholder is entitled to nominate pursuant to this Section 2.01(b), the Stockholder shall have the right, at any time, to nominate such additional designees to which it is entitled, in which case the Stockholder and the Company shall take, or cause to be taken, all Necessary Action to (A) increase the size of the Board as required to enable the Stockholder to so nominate such additional designees and (B) appoint such additional designees nominated by the Stockholder to such newly created directorships. Each such individual whom the Stockholder shall designate pursuant to this Section 2.01(b) and who is thereafter elected and qualifies to serve as a Director shall be referred to herein as a "Stockholder Designee."

(c) The parties hereto agree that so long as the Stockholder Designees meet the requirements for Independent Directors in accordance with the rules of the Exchange, then the Stockholder Designees shall be considered "independent directors" with respect to the requirements of the Exchange, as well as the Governing Documents.

(d) For so long as the Directors on the Board are divided into three classes, such Stockholder Designees shall be apportioned among such classes so as to maintain the number of Stockholder Designees in each class as nearly equal as possible. The Stockholder is hereby authorized to assign the Stockholder Designees in office to such classes in connection with the nomination pursuant to Section 2.01(b).

(e) The Company agrees, to the fullest extent permitted by applicable law (including with respect to any applicable fiduciary duties under Delaware law), to take all Necessary Action to effectuate the above by; (A) including the persons designated pursuant to this Section 2.01 in the slate of nominees recommended by the Board for election at any meeting of stockholders called for the purpose of electing Directors, (B) nominating and recommending each such individual to be elected as a Director as provided herein, (C) soliciting proxies or consents in favor thereof, and (D) without limiting the foregoing, otherwise using its reasonable best efforts to cause such nominees to be elected to the Board, including providing at least as high a level of support for the election of such nominees as it provides to any other individual standing for election as a Director.

(f) At any time the number of Directors that the Stockholder is entitled to designate pursuant to this Section 2.01 is less than the number of Stockholder Designees on the Board, the Stockholder shall cause the required number of Directors to resign from the Board or not stand for reelection on or prior to the Company's next general meeting of shareholders at which Directors of the Company are to be elected, and any vacancies resulting from such resignation shall be filled by the Board in accordance with the Governing Documents, the rules of the U.S. Securities Exchange Commission (the "**SEC**") and the rules of the Exchange then in effect.

(g) For the avoidance of doubt, the rights granted to the Stockholder to designate members of the Board are additive to, and not intended to limit in any way, the rights that the Stockholder or any of its Affiliates may have to nominate, elect or remove directors under the Governing Documents or the Delaware General Corporation Law.

Section 2.02. *Removal.* So long as a Stockholder is entitled to designate one or more nominees pursuant to Section 2.01 such Stockholder shall have the right to remove any such director (with or without cause), from time to time and at any time, from the Board, exercisable upon written notice to the Company, and the Company shall take all Necessary Action to cause such removal.

Section 2.03. *Vacancies*. In the event that a vacancy is created on the Board at any time by the death, disability, resignation or removal (whether by the Stockholder or otherwise in accordance with the Governing Documents, as either may be amended or restated from time to time) of a Stockholder Designee, the Stockholder entitled to appoint such Stockholder Designee shall be entitled to designate an individual to fill the vacancy so long as the total number of persons that will serve on the Board as designees of such Stockholders immediately following the filling of such vacancy will not exceed the total number of persons such Stockholder is entitled to designate pursuant to Section 2.01 on the date of such replacement designation. The Company and the Stockholder shall take all Necessary Action to cause such replacement designee to become a member of the Board.

Subject to the provisions of this Section 2.03, the Board may nominate additional Directors to the Board, or fill any vacancy on the Board, pursuant to the terms of the Governing Documents.

Section 2.04. *Board Expenses.* The Company shall pay all reasonable out-of-pocket expenses incurred by each Director in connection with attending regular and special meetings of the Board and any committee thereof, and any such meetings of the board of directors of any Subsidiary of the Company and any committee thereof.

Section 2.05. *Board Committees*. As of the IPO Date, the Board has designated each of the following committees: a Compensation, Nominating and Corporate Governance Committee and an Audit Committee. For so long as the Stockholder has the right to designate one (1) Stockholder Designee pursuant to Section 2.01, the Stockholder shall have the right, but not the obligation, to designate the members of each committee of the Board pursuant to the formula outlined in Section 2.01(b) hereof; provided that the right of any Stockholder Designee to serve on a committee shall be subject to applicable Law and the Company's obligation to comply with any applicable independence requirements of the Exchange.

ARTICLE 3
CERTAIN COVENANTS AND AGREEMENTS

Section 3.01. *Access; Information*. For so long as the Stockholder's Aggregate Ownership of Shares (as determined on a Common Equivalents Basis) continues to be at least 5% of Shares (as determined on a Common Equivalents Basis), the Company shall, and shall cause its Subsidiaries to, permit the Stockholder, and its designated representatives, at reasonable times and upon reasonable prior notice to the Company, to review the books and records of the Company or any of such Subsidiaries and to discuss (including providing advice and direction in accordance with past practice) the affairs, finances and condition of the Company or any of such Subsidiaries with the officers of the Company or any such Subsidiary; *provided*, *however*, that the Company shall not be required to disclose any privileged information of the Company so long as the Company has used its best efforts to provide such information to the Stockholder, as applicable, without the loss of any such privilege, and notified the Stockholder that such information has not been provided.

Section 3.02. *Confidentiality*. (a) The Stockholder agrees that Confidential Information furnished and to be furnished to it has been and may in the future be made available in connection with the Stockholder's investment in the Company. The Stockholder agrees that it shall use, and that it shall cause any Person to whom Confidential Information is disclosed pursuant to clause (i) below to use, the Confidential Information only in connection with its investment in the Company and not for any other purpose (including to disadvantage competitively the Company, any of its Affiliates or any other Stockholder). The Stockholder further acknowledges and agrees that it shall not disclose any Confidential Information to any Person, except that Confidential Information may be disclosed:

(i) to such Stockholder's Representatives in the normal course of the performance of their duties or to any financial institution providing credit to such Stockholder;

(ii) such information becomes known to the public through no fault of such Stockholder;

(iii) to any Person to whom such Stockholder is contemplating a Transfer of its Company Securities; provided, that such Transfer would not be in violation of the provisions of this Agreement and such potential Transferee is advised of the confidential nature of such information and agrees to be bound by a confidentiality agreement consistent with the provisions hereof;

(iv) to the extent required by applicable law, rule or regulation (including complying with any oral or written questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process to which a Stockholder is subject; *provided* that such Stockholder agrees to give the Company prompt notice of such request(s), to the extent practicable, so that the Company may seek an appropriate protective order or similar relief (and the Stockholder shall cooperate with such efforts by the Company, and shall in any event make only the minimum disclosure required by such law, rule or regulation));

(v) such information was available or becomes available to such Stockholder before, on or after the date hereof, without restriction, from a source (other than the Company) without any breach of duty to the Company;

(vi) to any regulatory authority to which the Stockholder or any of its Affiliates is subject; *provided* that such authority is advised of the confidential nature of such information;

(vii) to the extent related to the tax treatment and tax structure of the transactions contemplated by this Agreement and in connection with the IPO (including all materials of any kind, such as opinions or other tax analyses that the Company, its Affiliates or its Representatives have provided to such Stockholder relating to such tax treatment and tax structure); *provided* that the foregoing does not constitute an authorization to disclose the identity of any existing or future party to the transactions contemplated by this Agreement and in connection with the IPO or their Affiliates or Representatives, or, except to the extent relating to such tax structure or tax treatment, any specific pricing terms or commercial or financial information;

(viii) to the extent required for the Stockholder to comply with tax or financial reporting requirements or audit of financial statements;

(ix) to the extent required in connection with the Stockholder's insurance policies; or

(x) if the prior written consent of the Board shall have been obtained.

Nothing contained herein shall prevent the use (subject, to the extent possible, to a protective order) of Confidential Information in connection with the assertion or defense of any claim by or against the Company or any Stockholder.

(b) "**Confidential Information**" means any information concerning the Company or any Persons that are or become its Subsidiaries (including trade secrets, pricing data, employee information, customer information, cost information, supplier information, financial and tax matters, third-party contract terms, inventions, know-how, processes, methods, models, technical information, schedules, code, ideas, concepts, data, software and business plans (regardless of whether such information is identified as confidential)) or the financial condition, business, operations or prospects of the Company or any such Persons in the possession of or furnished to any Stockholder (including by virtue of its present or former right to designate a director of the Company); *provided* that the term "Confidential Information" does not include information that (i) is or becomes generally available to the public other than as a result of a disclosure by a Stockholder or its directors, officers, employees, stockholders, members, partners, agents, counsel, investment advisers or other representatives (all such persons being collectively referred to as "**Representatives**") in violation of this Agreement, (ii) was available to such Stockholder on a non-confidential basis prior to its disclosure to such Stockholder or its Representatives by the Company, (iii) becomes available to such Stockholder on a non-confidential basis from a source other than the Company after the disclosure of such information to such Stockholder or its Representatives by the Company, which source is (at the time of receipt of the relevant information) not, to the best of such Stockholder's knowledge, bound by a confidentiality agreement with (or other confidentiality obligation to) the Company or another Person or (iv) is independently developed by such Stockholder without violating any confidentiality agreement with, or other obligation of secrecy to, the Company.

Section 3.03. *Conflicting Agreements*. The Company and the Stockholder represents and agrees that it shall not grant any proxy or enter into or agree to be bound by any voting trust or agreement with respect to the Company Securities, or enter into any agreement or arrangement of any kind with any Person with respect to any Company Securities, in each case that is inconsistent with the provisions of this Agreement or for the purpose or with the effect of denying or reducing the rights of any other Stockholder under this Agreement.

Section 3.04. *Corporate Opportunities.* To the fullest extent permitted by applicable law, the Company, on behalf of itself and its Subsidiaries, waives and renounces any right, interest or expectancy of the Company and/or its Subsidiaries in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to or business opportunities of which the Stockholder or any of its officers, directors, agents, shareholders, members, partners, Affiliates and Subsidiaries (other than the Company and its Subsidiaries) (each, a "**Specified Party**") gain knowledge, even if the opportunity is competitive with the business of the Company or its Subsidiaries or one that the Company or its Subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so and each such Specified Party shall have no duty (statutory, fiduciary, contractual or otherwise) to communicate or offer such business opportunity to the Company and, to the fullest extent permitted by applicable law, shall not be liable to the Company or any of its Subsidiaries for breach of any statutory, fiduciary, contractual or other duty, as a director or otherwise, by reason of the fact that such Specified Party pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present or communicate such business opportunity, or information regarding such business opportunity, to the Company or its Subsidiaries. Notwithstanding anything in this Section 3.04 to the contrary, a Specified Party who is a director of the Company and who is offered a business opportunity for the Company or its Subsidiaries in his or her capacity solely as a director of the Company (a "**Directed Opportunity**") shall be obligated to communicate such Directed Opportunity to the Company; *provided*, *however*, that all of the protections of this Section 3.04 shall otherwise apply to the Specified Parties with respect to such Directed Opportunity, including the ability of the Specified Parties to pursue or acquire such Directed Opportunity, directly or indirectly, or to direct such Directed Opportunity to another person.

ARTICLE 4
MISCELLANEOUS

Section 4.01. *Binding Effect; Assignability; Benefit.* (a) Except as otherwise provided herein, this Agreement shall inure to the benefit of and be binding upon the parties hereto and with respect to the Stockholder, those of its Permitted Assigns to whom the Stockholder has assigned or transferred all or part of this Agreement. Any Stockholder that ceases to Beneficially Own any Company Securities shall cease to be bound by the terms hereof (other than Sections 3.02, 4.02, 4.05, 4.06, 4.07, 4.08, 4.10 and 4.11).

(b) Neither the Company nor the Stockholder shall assign or transfer all or any part of this Agreement without the prior written consent of the other parties hereto; provided, however, that the Stockholder shall be entitled to assign, in whole or in part, to any of its Permitted Assigns without such prior written consent. Any such Permitted Assignee that shall become a party to this Agreement shall (unless already bound hereby) execute and deliver to the Company an agreement to be bound by this Agreement in the form of Exhibit A hereto and shall thenceforth be a "Stockholder."

(c) Nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the parties hereto, and in the case of the Stockholder, any of its Permitted Assigns, and, in the case of the Company, any of its permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 4.02. *Notices*. All notices, requests and other communications to any party shall be in writing and shall be delivered in person, mailed by certified or registered mail, return receipt requested, or sent by email transmission so long as receipt of such email is requested and received:

if to the Company to:

1900 W. Field Court
Lake Forest, Illinois 60045
Attention: David Watson, General Counsel
Email: David.Watson@ReynoldsBrands.com

if to the Stockholder, to:

c/o Rank Group Limited
Floor 9, 148 Quay Street
Auckland, 1010 New Zealand
Attention: Helen Golding, Group Legal Counsel
Email: Helen.Golding@rankgroup.co.nz

with a copy to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Attention: Byron B. Rooney
Fax: (212) 701-5800
Email: Byron.Rooney@davispolk.com

All notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

Any Permitted Assignee that becomes a Stockholder shall provide its address, fax number and email address to the Company.

Section 4.03. *Term; Waiver; Amendment*. (a) This Agreement shall terminate as it relates to a Stockholder on the earlier to occur of: (i) such Stockholder ceases to Beneficially Own any Company Securities, and (ii) upon the delivery of a written notice by such Stockholder to the Company requesting that this Agreement terminate as it relates to such Stockholder (in each case, other than Sections 3.02, 4.02, 4.05, 4.06, 4.07, 4.08, 4.10 and 4.11)

(b) this Agreement may be amended, waived or otherwise modified only by a written instrument executed by the parties hereto. In addition, any party may waive any provision of this Agreement with respect to itself by an instrument in writing executed by the party against whom the waiver is to be effective. Except as provided in the preceding sentences, no action taken pursuant to this Agreement, including any investigation by or on behalf of any party, will be deemed to constitute a waiver by the party taking such action of compliance with any covenants or agreements contained herein. The waiver by any party hereto of a breach of any provision of this Agreement will not operate or be construed as a waiver of any subsequent breach.

Section 4.04. *Fees and Expenses*. All costs and expenses incurred in connection with the preparation of this Agreement, or any amendment or waiver hereof, and the transactions contemplated hereby shall be paid by the party incurring such costs or expenses.

Section 4.05. *Governing Law*. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to the conflicts of laws rules of such state.

Section 4.06. *Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York or any New York State court sitting in New York City, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any case of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 4.02 shall be deemed effective service of process on such party.

Section 4.07. *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 4.08. *Specific Enforcement*. Each party hereto acknowledges that the remedies at law of the other parties for a breach or threatened breach of this Agreement would be inadequate and, in recognition of this fact, any party to this Agreement, without posting any bond, and in addition to all other remedies that may be available, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy that may then be available.

Section 4.09. *Counterparts; Effectiveness*. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective upon completion of the IPO on the IPO Date; *provided*, that this Agreement shall be of no force and effect prior to the completion of the IPO. Until and unless each party has received a counterpart hereof signed by the other party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication).

Section 4.10. *Entire Agreement*. This Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter hereof. There are no agreements, representations, warranties, covenants or undertakings with respect to the subject matter hereof other than those expressly set forth herein. This Agreement supersedes all other prior agreements and understandings between the parties with respect to such subject matter; provided, however, nothing in this Agreement shall supersede any other agreement or understanding entered into in connection with the IPO.

Section 4.11. *Severability*. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner so that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

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

THE COMPANY:

REYNOLDS CONSUMER PRODUCTS INC.

By: _____
Name:
Title:

THE STOCKHOLDER:

PACKAGING FINANCE LIMITED

By: _____
Name:
Title:

EXHIBIT A

JOINDER TO STOCKHOLDERS AGREEMENT

This Joinder Agreement (this "**Joinder Agreement**") is made as of the date written below by the undersigned (the "**Joining Party**") in accordance with the Stockholders Agreement dated as of [ ] (as amended, amended and restated or otherwise modified from time to time, the "**Stockholders Agreement**"), as the same may be amended from time to time. Capitalized terms used, but not defined, herein shall have the meaning ascribed to such terms in the Stockholders Agreement.

The Joining Party hereby acknowledges, agrees and confirms that, by its execution of this Joinder Agreement, the Joining Party shall be deemed to be a party to the Stockholders Agreement as of the date hereof and shall have all of the rights and obligations of a "Stockholder" thereunder as if it had executed the Stockholders Agreement. The Joining Party hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the Stockholders Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement as of the date written below.

Date:_____ ____, _____

[NAME OF JOINING PARTY]

By: _____
Name:
Title:

Address for Notices:

Acknowledged by:

REYNOLDS CONSUMER PRODUCTS INC.

By: _____
Name:
Title:

Exhibit 10.27

CREDIT AGREEMENT

Dated as of [ ], 2020

among

REYNOLDS CONSUMER PRODUCTS LLC,
as the Borrower,

REYNOLDS CONSUMER PRODUCTS INC.,
as Parent,

THE FINANCIAL INSTITUTIONS PARTY HERETO,
as Lenders,

and

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH,
as Administrative Agent,

CREDIT SUISSE LOAN FUNDING LLC
GOLDMAN SACHS BANK USA
JPMORGAN CHASE BANK, N.A.
HSBC SECURITIES (USA) INC.

BARCLAYS BANK PLC
CITIGROUP GLOBAL MARKETS INC.
RBC CAPITAL MARKETS
SUNTRUST ROBINSON HUMPHREY, INC.,
as Joint Lead Arrangers
and Joint Bookrunners

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CREDIT AGREEMENT

CREDIT AGREEMENT, dated as of [ ], 2020 (this "**Agreement**"), by and among Reynolds Consumer Products Inc., a Delaware corporation ("**Parent**"), Reynolds Consumer Products LLC, a Delaware limited liability company (the "**Borrower**"), the Lenders from time to time party hereto and Credit Suisse AG, Cayman Islands Branch, in its capacities as administrative agent and collateral agent for the Lenders (in such capacities, the "**Administrative Agent**").

RECITALS

A. As described in the Form S-1, Parent intends to consummate the Corporate Reorganization and the IPO.

B. In connection with the foregoing, the Borrower has requested that (a) the Daylight Term Lenders extend credit in the form of Daylight Term Loans in an original aggregate principal amount equal to $[ ], (b) the Revolving Lenders establish commitments to extend credit under the Revolving Facility in an amount of $250,000,000 and (c) the Term Lenders extend credit in the form of Initial Term Loans in an original aggregate principal amount equal to $2,475,000,000.

C. The Borrower shall use the proceeds from the Initial Term Loans and the Daylight Term Loans, directly or indirectly, as part of the Corporate Reorganization prior to the consummation of the IPO, to settle related company borrowings, including amounts arising as part of the Corporate Reorganization, and to pay Transaction Costs.

D. The Lenders are willing to extend such credit on the terms and subject to the conditions set forth herein. Accordingly, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

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

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

"**Acceptable Intercreditor Agreement**" means a Market Intercreditor Agreement, or another intercreditor agreement that is reasonably satisfactory to the Administrative Agent (which may, if applicable, consist of a payment "waterfall").

"**ACH**" means automated clearing house transfers.

"**Additional Agreement**" has the meaning assigned to such term in Article 8.

"**Additional Secured Party Acknowledgment**" means an Additional Secured Party Acknowledgment substantially in the form attached hereto as Exhibit N or in another form permitted by the Administrative Agent.

"**Additional Commitment**" means any commitment hereunder added pursuant to Sections 2.22, 2.23 or 9.02(b).

"**Additional Credit Facilities**" means any credit facilities added pursuant to Sections 2.22, 2.23 or 9.02(b).

"**Additional Lender**" has the meaning assigned to such term in Section 2.22(b).

"**Additional Letter of Credit Facility**" means any facility established by Parent and/or any Restricted Subsidiary to obtain letters of credit, bank guarantees, bankers' acceptances or other instruments required by customers, suppliers or landlords or otherwise in the ordinary course of business.

"**Additional Loans**" means any Additional Revolving Loans and any Additional Term Loans.

"**Additional Revolving Credit Commitments**" means any revolving credit commitment added pursuant to Sections 2.22, 2.23 or 9.02(b)(ii).

"**Additional Revolving Credit Exposure**" means, with respect to any Lender at any time, the aggregate Outstanding Amount at such time of all Additional Revolving Loans of such Lender, plus the aggregate amount at such time of such Lender's LC Exposure, in each case, attributable to its Additional Revolving Credit Commitment.

"**Additional Revolving Facility**" means any revolving credit facility added hereunder pursuant to Sections 2.22, 2.23 or 9.02(b)(ii).

"**Additional Revolving Lender**" means any Lender with an Additional Revolving Credit Commitment or any Additional Revolving Credit Exposure.

"**Additional Revolving Loans**" means any revolving loan added hereunder pursuant to Sections 2.22, 2.23 or 9.02(b)(ii).

"**Additional Term Loan Commitments**" means any term loan commitment added hereunder pursuant to Sections 2.22, 2.23 or 9.02(b)(i).

"**Additional Term Loans**" means any term loan added hereunder pursuant to Section 2.22, 2.23 or 9.02(b)(i).

"**Adjustment Date**" means the date of delivery of the Compliance Certificate required to be delivered pursuant to Section 5.01(c).

"**Administrative Agent**" has the meaning assigned to such term in the preamble to this Agreement.

"**Administrative Questionnaire**" has the meaning assigned to such term in Section 2.22(d).

"**Adverse Proceeding**" means any action, suit, proceeding (whether administrative, judicial or otherwise), governmental investigation or arbitration (whether or not purportedly on behalf of Parent or any of its Restricted Subsidiaries) at law or in equity, or before or by any Governmental Authority, domestic or foreign, whether pending or, to the knowledge of Parent or any of its Restricted Subsidiaries, threatened in writing, against or affecting Parent or any of its Restricted Subsidiaries or any property of Parent or any of its Restricted Subsidiaries.

"**Affiliate**" means, as applied to any Person, any other Person directly or indirectly Controlling, Controlled by, or under common Control with, that Person. None of the Administrative Agent, the

Arrangers, any Lender (other than any Affiliated Lender or any Debt Fund Affiliate) or any of their respective Affiliates shall be considered an Affiliate of Parent or any subsidiary thereof.

"**Affiliate Subordination Agreement**" means an Affiliate Subordination Agreement in the form of Exhibit F pursuant to which intercompany obligations and advances owed by any Loan Party are subordinated to the Obligations.

"**Affiliated Lender**" means any Non-Debt Fund Affiliate, Parent and/or any of its Restricted Subsidiaries.

"**Affiliated Lender Assignment and Assumption**" means an assignment and assumption entered into by a Lender and an Affiliated Lender (with the consent of any party whose consent is required by Section 9.05) and accepted by the Administrative Agent in the form of Exhibit A-2 or any other form approved by the Administrative Agent and Parent.

"**Affiliated Lender Cap**" has the meaning assigned to such term in Section 9.05(g)(iv).

"**Agreement**" has the meaning assigned to such term in the preamble to this Credit Agreement.

"**Alternate Base Rate**" means, for any day, a rate per annum equal to the highest of (a) the Federal Funds Effective Rate in effect on such day *plus* 0.50%, (b) to the extent ascertainable, the Published LIBO Rate (which rate shall be calculated based upon an Interest Period of one month and shall be determined on a daily basis based on the rate determined on such day for such Interest Period at 11:00 a.m. (London time)) *plus* 1.00% and (c) the Prime Rate; provided that in no event shall the Alternate Base Rate be less than 1.00% per annum for purposes of this Agreement. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Published LIBO Rate, as the case may be, shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Published LIBO Rate, as the case may be.

"**Applicable Charges**" has the meaning assigned to such term in Section 9.19.

"**Applicable Percentage**" means, (a) with respect to any Term Lender of any Class, a percentage equal to a fraction the numerator of which is the aggregate outstanding principal amount of the Term Loans and unused Additional Term Loan Commitments of such Term Lender under such Class and the denominator of which is the aggregate outstanding principal amount of the Term Loans and unused Additional Term Loan Commitments of all Term Lenders under such Class and (b) with respect to any Revolving Lender of any Class, the percentage of the aggregate amount of the Revolving Credit Commitments of such Class represented by such Lender's Revolving Credit Commitment of such Class; provided that for purposes of Section 2.21 and otherwise herein when there is a Defaulting Lender, such Defaulting Lender's Revolving Credit Commitment shall be disregarded for any relevant calculation. In the case of clause (b), in the event that the Revolving Credit Commitments of any Class have expired or been terminated, the Applicable Percentage of any Revolving Lender of such Class shall be determined on the basis of the Revolving Credit Exposure of such Revolving Lender with respect to such Class, giving effect to any assignments and to any Revolving Lender's status as a Defaulting Lender at the time of determination.

"**Applicable Price**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Applicable Rate**" means, for any day, with respect to the Initial Term Loans and the Revolving Loans, (a) [ ]% per annum for ABR Loans and (b) [ ]% per annum for LIBO Rate Loans.

The Applicable Rate for any Class of Additional Revolving Loans or Additional Term Loans shall be as set forth in the applicable Refinancing Amendment, Incremental Facility Amendment or Extension Amendment.

"**Approved Commercial Bank**" means a commercial bank with a consolidated combined capital and surplus of at least $5,000,000,000.

"**Approved Fund**" means, with respect to any Lender, any Person (other than a natural person) that is engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities and is administered, advised or managed by (a) such Lender, (b) any Affiliate of such Lender or (c) any entity or any Affiliate of any entity that administers, advises or manages such Lender.

"**Arrangers**" means the financial institutions listed as such on the cover page to this Agreement, in their capacities as such.

"**Assignment Agreement**" means, collectively, each Assignment and Assumption and each Affiliated Lender Assignment and Assumption.

"**Assignment and Assumption**" means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.05), and accepted by the Administrative Agent in the form of Exhibit A-1 or any other form approved by the Administrative Agent and Parent.

"**Auction**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Auction Agent**" means (a) the Administrative Agent or any of its Affiliates or (b) any other financial institution or advisor engaged by Parent (whether or not an Affiliate of the Administrative Agent) to act as an arranger in connection with any Auction pursuant to the definition of "Dutch Auction".

"**Auction Amount**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Auction Notice**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Auction Party**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Auction Response Date**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Availability Period**" means, with respect to the Initial Revolving Credit Commitments the period from and including the Closing Date to but excluding the earliest of (a) the date of termination of the Initial Revolving Credit Commitments pursuant to Section 2.09, (b) the date of termination of the Initial Revolving Credit Commitment of each Initial Revolving Lender to make Initial Revolving Loans and the obligation of each Issuing Bank to issue Letters of Credit issued under the Initial Revolving Credit Commitments pursuant to Section 7.01 and (c) the Initial Revolving Credit Maturity Date.

"**Available Amount**" means, at any time, an amount equal to, without duplication:

(a) the sum of:

(i) the greater of $230,000,000 and 35% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period; *plus*

(ii) the Retained Excess Cash Flow Amount; provided that such amount shall not be available (A) for any Restricted Payment pursuant to Section 6.04(a)(ii)(A) or (B) for any Restricted Debt Payment pursuant to Section 6.04(b)(iv)(A), unless no Specified Event of Default shall then exist; *plus*

(iii) the amount of any capital contributions or other proceeds of any issuance of Capital Stock (other than any amounts (w) received in connection with the underwriters' exercise of their option to purchase additional shares of Common Stock in the IPO, (x) constituting of a Cure Amount, an Available Excluded Contribution Amount or proceeds of an issuance of Disqualified Capital Stock, (y) received from Parent or any Restricted Subsidiary or (z) consisting of the proceeds of any loan or advance made pursuant to Section 6.06(h)(ii)) received as Cash equity by Parent or any of its Restricted Subsidiaries, *plus* the fair market value, as determined by Parent in good faith, of Cash Equivalents, marketable securities or other property received by Parent or any Restricted Subsidiary as a capital contribution or in return for any issuance of Capital Stock (other than any amounts (x) constituting of a Cure Amount, an Available Excluded Contribution Amount or proceeds of any issuance of Disqualified Capital Stock or (y) received from Parent or any Restricted Subsidiary), in each case, during the period from and including the day immediately following the Closing Date through and including such time; *plus*

(iv) the aggregate principal amount of any Indebtedness or Disqualified Capital Stock, in each case, of Parent or any Restricted Subsidiary issued after the Closing Date (other than Indebtedness or such Disqualified Capital Stock issued to Parent or any Restricted Subsidiary), which has been converted into or exchanged for Capital Stock of Parent or any Restricted Subsidiary that does not constitute Disqualified Capital Stock, together with the fair market value of any Cash or Cash Equivalents (as determined by Parent in good faith) and the fair market value (as determined by Parent in good faith) of any property or assets received by Parent or such Restricted Subsidiary upon such exchange or conversion, in each case, during the period from and including the day immediately following the Closing Date through and including such time; *plus*

(v) without duplication of amounts reflected as a return of capital or deemed reduction with respect to such Investment for purposes of determining the amount of such Investment pursuant to clause (b) below or any other provision of Section 6.06, the net proceeds received by Parent or any Restricted Subsidiary during the period from and including the day immediately following the Closing Date through and including such time in connection with the Disposition to any Person other than Parent or any Restricted Subsidiary of any Investment made pursuant to Section 6.06(r)(i) (and including, for the avoidance of doubt, any such Disposition of any Unrestricted Subsidiary); *plus*

(vi) to the extent not already reflected as a return of capital or deemed reduction with respect to such Investment for purposes of determining the amount of such Investment pursuant to clause (b) below or any other provision of Section 6.06, the proceeds received by Parent or any Restricted Subsidiary during the period from and including the day immediately following the Closing Date through and including such time in connection with cash returns, cash profits, cash distributions and similar cash amounts, including cash principal repayments of loans and interest payments on loans, in each case received in respect of any Investment made after the Closing Date made

pursuant to Section 6.06(r)(i) or, without duplication, otherwise received by Parent or any Restricted Subsidiary from an Unrestricted Subsidiary (including any proceeds received on account of any issuance of Capital Stock by any Unrestricted Subsidiary (other than solely on account of the issuance of Capital Stock to Parent or any Restricted Subsidiary)); *plus*

(vii) an amount equal to the sum of (A) the amount of any Investments by Parent or any Restricted Subsidiary made pursuant to Section 6.06(r)(i) in any Unrestricted Subsidiary that has been re-designated as a Restricted Subsidiary, (B) the amount of any Investments by Parent or any Restricted Subsidiary made pursuant to Section 6.06(r)(i) in any Unrestricted Subsidiary or any joint venture that is not a Restricted Subsidiary that has been merged, consolidated or amalgamated with or into, or is liquidated, wound up or dissolved into, Parent or any Restricted Subsidiary and (C) the fair market value (as determined by Parent in good faith) of the property or assets of any Unrestricted Subsidiary or any joint venture that is not a Restricted Subsidiary that have been transferred, conveyed or otherwise distributed to Parent or any Restricted Subsidiary, in each case, during the period from and including the day immediately following the Closing Date through and including such time; *plus*

(viii) the amount of any Declined Proceeds; *plus*

(ix) the amount of any Excluded Proceeds; *minus*

(b) an amount equal to the sum of (i) Restricted Payments made pursuant to Section 6.04(a)(ii)(A), *plus* (ii) Restricted Debt Payments made pursuant to Section 6.04(b)(vi)(A), *plus* (iii) Investments made pursuant to Section 6.06(r)(i), in each case, after the Closing Date and prior to such time, or contemporaneously therewith.

"**Available Excluded Contribution Amount**" means the aggregate amount of Cash or Cash Equivalents or the fair market value of other assets or property (as determined by Parent in good faith, but excluding any Cure Amount) received by Parent or any of its Restricted Subsidiaries after the Closing Date from:

(1) contributions in respect of Qualified Capital Stock (other than any amounts or other assets received from Parent or any of its Restricted Subsidiaries), and

(2) the sale of Qualified Capital Stock of Parent or any of its Restricted Subsidiaries (other than (x) to Parent or any Restricted Subsidiary of Parent, (y) pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or (z) with the proceeds of any loan or advance made pursuant to Section 6.06(h)(ii)),

in each case, designated as Available Excluded Contribution Amounts pursuant to a certificate of a Responsible Officer on or promptly after the date the relevant capital contribution is made or the relevant proceeds are received, as the case may be, and which are excluded from the calculation of the Available Amount.

"**Available RDP Capacity Amount**" means the amount of Restricted Debt Payments that may be made at the time of determination pursuant to Section 6.04(b)(iv)(A) minus the amount of the Available RDP Capacity Amount utilized by Parent or any Restricted Subsidiary to make Investments pursuant to Section 6.06(q)(ii).

"**Available RP Capacity Amount**" means the amount of Restricted Payments that may be made at the time of determination pursuant to Sections 6.04(a)(i)(D), (a)(ii), (a)(vi), (a)(ix), (a)(xii), (a)(xviii) and (a)(xix) minus the aggregate amount of the Available RP Capacity Amount utilized by Parent or any Restricted Subsidiary to (a) make Investments pursuant to Section 6.06(q)(ii) or (b) make Restricted Debt Payments pursuant to Section 6.04(b)(iv)(B).

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

"**Bail-In Legislation**" means, 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 for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"**Banking Services**" means (a) any Local Facility and (b) each and any of the following bank services: commercial credit cards, stored value cards, debit cards, purchasing cards, treasury management services, netting services, overdraft protections, check drawing services, automated payment services (including depository, overdraft, controlled disbursement, ACH transactions, return items and interstate depository network services, including all obligations arising from the financing or honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business), employee credit card programs, cash pooling services, foreign exchange and currency management services and any arrangements or services similar to any of the foregoing and/or otherwise in connection with Cash management and Deposit Accounts.

"**Banking Services Obligations**" means any and all obligations of Parent or any Restricted Subsidiary, if such obligations are related to the operations of Parent and its Restricted Subsidiaries, whether absolute or contingent and however and whenever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) (a) under any arrangement that is in effect on the Closing Date between such Loan Party or any such Restricted Subsidiary and a counterparty that is (or is an Affiliate of) the Administrative Agent, any Lender or any Arranger as of the Closing Date or (b) under any arrangement that is entered into after the Closing Date by any Loan Party or any such Restricted Subsidiary with any counterparty that is (or is an Affiliate of) the Administrative Agent, any Lender or any Arranger at the time such arrangement is entered into, in each case, in connection with Banking Services, in each case, that has been designated to the Administrative Agent in writing by Parent as being Banking Services Obligations for purposes of the Loan Documents, it being understood that each counterparty thereto shall be deemed (A) to appoint the Administrative Agent as its agent under the applicable Loan Documents and (B) to agree to be bound by the provisions of Article 8, Section 9.03 and Section 9.10 and each Acceptable Intercreditor Agreement, in each case as if it were a Lender.

"**Bankruptcy Code**" means Title 11 of the United States Code (11 U.S.C. § 101 et seq.).

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

"**Board**" means the Board of Governors of the Federal Reserve System of the U.S.

"**Bona Fide Debt Fund**" means any debt fund, investment vehicle, regulated bank entity or unregulated lending entity that is primarily engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of business for financial investment purposes (other than primarily in distressed situations) and which is managed,

sponsored or advised by any Person controlling, controlled by or under common control with (a) any competitor of Parent and/or any of its Subsidiaries or (b) any Affiliate of such competitor, but, in each case, with respect to which no personnel involved with any investment in such Person or the management, control or operation of such Person (i) directly or indirectly makes, has the right to make or participates with others in making any investment decisions, or otherwise causing the direction of the investment policies, with respect to such debt fund, investment vehicle, regulated bank entity or unregulated lending entity or (ii) has access to any information (other than information that is publicly available) relating to Parent or its Subsidiaries or any entity that forms a part of any of their respective businesses; it being understood and agreed that the term "Bona Fide Debt Fund" shall not include any Person that is separately identified to the Arrangers or the Administrative Agent in accordance with clause (a)(i) or (a)(ii) of the definition of "Disqualified Institution" or any reasonably identifiable Affiliate of any such Person on the basis of such Affiliate's name.

"**Borrower**" means (a) Reynolds Consumer Products LLC, (b) any Loan Party or any other Subsidiary that enters into a Borrower Joinder pursuant to Section 9.02(d) of this Agreement as a Revolving Borrower or a Term Loan Borrower and/or (c) following the consummation of a transaction permitted hereunder that results in a Successor Borrower, such Successor Borrower, in each case, as the context may require. The obligations of the Borrowers hereunder shall be joint and several.

"**Borrowing**" means any Loans of the same Type and Class made, converted or continued on the same date and, in the case of LIBO Rate Loans, as to which a single Interest Period is in effect.

"**Borrowing Request**" means a request by the Borrower for a Borrowing in accordance with Section 2.03 and substantially in the form attached hereto as Exhibit B or such other form that is reasonably acceptable to the Administrative Agent and the Borrower.

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

"**Capital Expenditures**" means, as applied to any Person for any period, the aggregate amount, without duplication, of all expenditures (whether paid in cash or accrued as liabilities and including in all events all amounts expended or capitalized under Finance Leases) for such Person for such period in accordance with GAAP.

"**Capital Stock**" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing, but excluding for the avoidance of doubt any Indebtedness convertible into or exchangeable for any of the foregoing.

"**Captive Insurance Subsidiary**" means any Restricted Subsidiary of Parent that is subject to regulation as an insurance company (or any Restricted Subsidiary thereof).

"**Cash**" or "**cash**" means money, currency or a credit balance in any Deposit Account, in each case determined in accordance with GAAP.

"**Cash Equivalents**" means, as at any date of determination, (a) readily marketable securities issued or directly and unconditionally guaranteed or insured as to interest and principal by the U.S. (or by

any agency thereof to the extent such obligations are backed by the full faith and credit of the U.S.), in each case maturing within one year from the date of issuance thereof; (b) readily marketable direct obligations issued by any state of the U.S. or any political subdivision of any such state or any public instrumentality thereof, in each case maturing within one year after such date and having, at the time of the acquisition thereof, a rating of at least A-2 from S&P or at least P-2 from Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized statistical rating agency) and, in each case, repurchase agreements and reverse repurchase agreements relating thereto; (c) commercial paper maturing no more than 270 days from the date of creation thereof and having, at the time of the acquisition thereof, a rating of at least A-2 from S&P or at least P-2 from Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized statistical rating agency); (d) deposits, money market deposits, time deposit accounts, certificates of deposit or bankers' acceptances (or similar instruments) maturing within one year after such date and issued or accepted by any Lender or by any bank organized under, or authorized to operate as a bank under, the laws of the U.S., any state thereof or the District of Columbia or any political subdivision thereof or any foreign bank or its branches or agencies and that has a combined capital and surplus and undivided profits of not less than $1,500,000,000 and that issues (or the parent of which issues) commercial paper rated at least A-2 from S&P or P-2 from Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized statistical rating agency); (e) solely with respect to any Captive Insurance Subsidiary, any investment that such Captive Insurance Subsidiary is not prohibited to make in accordance with applicable law; (f) shares or other interests of any investment company, money market mutual fund or other money market or enhanced high yield fund that invests 95% or more of its assets in instruments of the types specified in clauses (a) through (g) above (which investment company or fund may also hold Cash pending investment or distribution); and (g) other Investments utilized by Foreign Subsidiaries in accordance with normal investment practices for cash management in Investments analogous to the Investments described in clauses (a) through (f) and in this paragraph.

"**Change in Law**" means (a) the adoption of any law, rule or regulation after the Closing Date, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the Closing Date or (c) compliance by any Lender or any Issuing Bank (or, for purposes of Section 2.15(b), by any lending office of such Lender or such Issuing Bank or by such Lender's or Issuing Bank's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the Closing Date (other than any such request, guideline or directive to comply with any law, rule or regulation that was in effect on the Closing Date). For purposes of this definition and Section 2.15, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder or issued in connection therewith or in implementation thereof and (y) all requests, rules, guidelines, requirements or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or U.S. regulatory authorities, in each case pursuant to Basel III, shall in each case described in clauses (a), (b) and (c) above, be deemed to be a Change in Law, regardless of the date enacted, adopted, issued or implemented.

"**Change of Control**" means the earliest to occur of:

(a) any "person" or "group" (within the meaning of Rule 13d-5 of the Securities Exchange Act of 1934 as in effect on the date hereof) other than a Permitted Holder acquiring, directly or indirectly, more than 50% of the Capital Stock of Parent (it being understood that if any such person or group includes one or more Permitted Holders, the shares of Capital Stock of Parent directly or indirectly owned by the Permitted Holders that are part of such person or group shall not be treated as being owned by such person or group for purposes of determining whether

this clause (a) is triggered so long as one or more Permitted Holders hold in excess of 50% of the issued and outstanding Capital Stock owned, directly or indirectly, by such group); and

(b) the Lead Borrower ceasing to be a direct or indirect Wholly-Owned Subsidiary of Parent.

Notwithstanding the foregoing, a Change of Control shall be deemed not to have occurred pursuant to clause (a) at any time if the Permitted Holders have, at such time, directly or indirectly, the right or the ability, by voting power, contract or otherwise, to elect or designate for election at least a majority of the Board of Directors.

Notwithstanding the preceding or any provision of Section 13d-3 of the Exchange Act as in effect on the Closing Date, a Person or group shall not be deemed to beneficially own Capital Stock subject to a stock or asset purchase agreement, merger agreement, option agreement, warrant agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the acquisition of the Capital Stock in connection with the transactions contemplated by such agreement.

"**Charge**" means any fee, loss, charge, expense, cost, accrual or reserve of any kind.

"**Class**", when used in reference to (a) any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Daylight Term Loans, Initial Term Loans, Additional Term Loans of any series established as a separate "Class" pursuant to Sections 2.22, 2.23 or 9.02(b)(i), Initial Revolving Loans or Additional Revolving Loans of any series established as a separate "Class" pursuant to Sections 2.22, 2.23 or 9.02(b)(ii), (b) any Commitment, refers to whether such Commitment is a Daylight Term Loan Commitment, an Initial Term Loan Commitment, an Additional Term Loan Commitment of any series established as a separate "Class" pursuant to Sections 2.22, 2.23 or 9.02(b)(i), Initial Revolving Credit Commitment or an Additional Revolving Credit Commitment of any series established as a separate "Class" pursuant to Sections 2.22, 2.23 or 9.02(b)(ii), (c) any Lender, refers to whether such Lender has a Loan or Commitment of a particular Class and (d) any Revolving Credit Exposure, refers to whether such Revolving Credit Exposure is attributable to any Revolving Credit Commitment of a particular Class (or Revolving Loans incurred or Letters of Credit issued under a Revolving Credit Commitment of a particular Class).

"**Closing Date**" means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02).

"**CNI Growth Amount**" means, at any date of determination, an amount (which amount shall not be less than zero) equal to 50% of Consolidated Net Income for the cumulative period from the first day of the Fiscal Quarter of Parent during which the Closing Date occurs to and including the last day of the most recently ended Fiscal Quarter of Parent prior to such date for which consolidated financial statements under Section 5.01(a) or Section 5.01(b), as applicable, have been delivered (or are required to have been delivered) (treated as one accounting period).

"**Code**" means the Internal Revenue Code of 1986.

"**Collateral**" means any and all property of any Loan Party subject to a Lien under any Collateral Document and any and all other property of any Loan Party, now existing or hereafter acquired, that is or becomes subject to a Lien pursuant to any Collateral Document to secure the Secured Obligations. For the avoidance of doubt, in no event shall "Collateral" include any Excluded Asset, unless specifically consented to by Parent.

"**Collateral and Guarantee Requirement**" means, at any time, subject to (x) the applicable limitations set forth in this Agreement and/or any other Loan Document (including any Acceptable Intercreditor Agreement) and (y) the time periods (and extensions thereof) set forth in the applicable provisions of this Agreement, the requirement that:

(a) the Administrative Agent shall have received (A) a joinder to the Loan Guaranty in substantially the form attached as an exhibit thereto, (B) a supplement to the Security Agreement in substantially the form attached as an exhibit thereto, (C) if the respective Restricted Subsidiary required to comply with the requirements set forth in this definition pursuant to Section 5.12 owns registrations of or applications for U.S. Patents, U.S. Trademarks and/or U.S. Copyrights that constitute Collateral, an Intellectual Property Security Agreement or Intellectual Property Security Agreement Supplement (as defined in the Security Agreement) in substantially the form attached as an exhibit hereto, (D) a completed Perfection Certificate, (E) Uniform Commercial Code financing statements in appropriate form for filing in such jurisdictions as the Administrative Agent may reasonably request and (F) to the extent required by the terms thereof, an executed joinder to any Acceptable Intercreditor Agreement in substantially the form attached as an exhibit thereto;

(b) the Administrative Agent shall have received with respect to any Material Real Estate Asset (other than an Excluded Asset) acquired after the Closing Date, a Mortgage and any necessary UCC fixture filing in respect thereof, in each case together with, to the extent customary and appropriate (as reasonably determined by the Administrative Agent):

(i) evidence that (A) counterparts of such Mortgage have been duly executed, acknowledged and delivered and such Mortgage and any corresponding UCC or equivalent fixture filing are in form suitable for filing or recording in all filing or recording offices that the Administrative Agent may deem reasonably necessary in order to create a valid and enforceable Lien on such Material Real Estate Asset in favor of the Administrative Agent for the benefit of the Secured Parties, (B) such Mortgage and any corresponding UCC or equivalent fixture filings have been duly recorded or filed, as applicable and (C) all filing and recording taxes and fees have been paid or otherwise provided for in a manner reasonably satisfactory to the Administrative Agent;

(ii) a fully paid policy of lender's title insurance (a "**Mortgage Policy**") in an amount reasonably acceptable to the Administrative Agent (not to exceed the fair market value of such Material Real Estate Asset (as determined by Parent in good faith)) issued by a nationally recognized title insurance company in the applicable jurisdiction that is reasonably acceptable to the Administrative Agent, insuring the relevant Mortgage as having created a valid and enforceable Lien on the real property described therein, subject only to Permitted Liens and other Liens reasonably acceptable to the Administrative Agent, together with such endorsements, coinsurance and reinsurance as the Administrative Agent may reasonably request to the extent the same are available in the applicable jurisdiction;

(iii) a customary legal opinion of local counsel for the relevant Loan Party in the jurisdiction in which such Material Real Estate Asset is located and, if applicable, in the jurisdiction of formation of the relevant Loan Party, in each case as the Administrative Agent may reasonably request; and

(iv) (A) surveys, (B) appraisals (solely to the extent required under the Financial Institutions Reform Recovery and Enforcement Act of 1989, as amended) and

(C) "Life-of-Loan" flood certifications under Regulation H (together with evidence of federal flood insurance for any such Flood Hazard Property); provided that (I) any existing appraisal for any Material Real Estate Asset shall be deemed to be acceptable to the Administrative Agent so long as such existing appraisal satisfies any applicable Federal and local law requirements and (II) no new survey shall be required of any Material Real Estate Asset if there is an existing survey available for such Material Real Estate Asset that (together with a no-change affidavit, if required) is acceptable to the issuer of the Mortgage Policy to issue a Mortgage Policy (x) with no general survey exception and (y) with customary survey-related endorsements thereto.

Notwithstanding any provision of any Loan Document to the contrary, if any mortgage tax or similar tax or charge is owed on the entire amount of the Obligations evidenced hereby in connection with the delivery of a Mortgage or UCC fixture filing pursuant to clause (b) above, then, unless a Mortgage is not required with respect to the applicable Material Real Estate Asset pursuant to Section 5.12(b)(viii), to the extent permitted by, and in accordance with, applicable Requirements of Law, the amount of such mortgage tax or similar tax or charge shall be calculated based on the value of the applicable Material Real Estate Asset at the time the Mortgage is entered into and determined in a manner reasonably acceptable to Administrative Agent and Parent. Notwithstanding anything herein to the contrary, no Mortgage will be executed and delivered with respect to any Material Real Estate Asset pursuant to the foregoing until the Administrative Agent has received written notice of such Mortgage at least 45 days prior to such execution and delivery and has confirmed receipt of satisfactory flood due diligence and evidence of compliance with the applicable Flood Insurance Laws.

"**Collateral Documents**" means, collectively, (i) the Security Agreement, (ii) each Mortgage (if any), (iii) each Intellectual Property Security Agreement, (iv) any supplement to any of the foregoing delivered to the Administrative Agent pursuant to the definition of "Collateral and Guarantee Requirement", (v) the Perfection Certificate and (vi) each of the other instruments and documents pursuant to which any Loan Party grants a Lien on any Collateral as security for payment of the Secured Obligations.

"**Commercial Letter of Credit**" means any Letter of Credit issued for the purpose of providing the primary payment mechanism in connection with the purchase of any materials, goods or services by Parent or any of its Restricted Subsidiaries in the ordinary course of business of such Person.

"**Commercial Tort Claim**" has the meaning assigned to such term in Article 9 of the UCC.

"**Commitment**" means, with respect to each Lender, such Lender's Daylight Term Loan Commitment, Initial Term Loan Commitment, Initial Revolving Credit Commitment and Additional Commitment, as applicable, in effect as of such time.

"**Commitment Fee Rate**" means, on any date (a) with respect to the Initial Revolving Credit Commitment, subject to the provisions of the last paragraph hereof, the applicable rate per annum set forth below based upon the First Lien Leverage Ratio as of the last day of the most recently ended Test Period and (b) with respect to Additional Revolving Credit Commitments of any Class, the rate or rates per annum specified in the applicable Refinancing Amendment, Incremental Facility Amendment or Extension Amendment.

First Lien Leverage Ratio	Commitment Fee Rate
Category 1	
Greater than [ ] to 1.00	[0.500]%

First Lien Leverage Ratio	Commitment Fee Rate
Category 2	
Equal to or less than [ ] to 1.00 but greater than [ ] to 1.00	[0.375]%
Category 3	
Equal to or less than [ ] to 1.00	[0.250]%

The Commitment Fee Rate with respect to the Initial Revolving Credit Commitment shall be adjusted quarterly on a prospective basis on each Adjustment Date based upon the First Lien Leverage Ratio in accordance with the table set forth above; provided that (a) until the first Adjustment Date following the completion of at least one full Fiscal Quarter after the Closing Date, the Commitment Fee Rate shall be the applicable rate per annum set forth above in Category 1 and (b) if financial statements are not delivered when required pursuant to Section 5.01(a) or (b), as applicable, the Commitment Fee Rate shall be the rate per annum set forth above in Category 1 until such financial statements are delivered in compliance with Section 5.01(a) or (b), as applicable.

In the event that any financial statement or Compliance Certificate delivered pursuant to Section 5.01(a), (b) or (c), as applicable, is shown to be inaccurate, and such inaccuracy, if corrected, would have led to the application of a higher Commitment Fee Rate for any prior period than the Commitment Fee Rate actually applied for such period, then (i) the Borrower shall promptly upon becoming aware of any such inaccuracy deliver to the Administrative Agent a corrected Compliance Certificate for such period and (ii) the Borrower shall promptly pay to the Administrative Agent the accrued additional amounts owing as a result of such increased Commitment Fee Rate for such period.

"**Commitment Schedule**" means the Schedule attached hereto as Schedule 1.01(a).

"**Commodity Exchange Act**" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.).

"**Common Stock**" means the common stock, par value $0.001 per share, of Parent.

"**Company Competitor**" means any competitor of Parent and/or any of its Restricted Subsidiaries.

"**Compliance Certificate**" means a compliance certificate substantially in the form of Exhibit C.

"**Confidential Information**" has the meaning assigned to such term in Section 9.13.

"**Consolidated Adjusted EBITDA**" means, as to any Person for any period, an amount determined for such Person and its Restricted Subsidiaries on a consolidated basis equal to the total of (a) Consolidated Net Income for such period *plus* (b) the sum, without duplication, of (to the extent deducted in calculating Consolidated Net Income, other than in respect of clauses (x), (xii), (xiii), (xiv), (xix), (xx), and (xxi)) below) the amounts of:

(i) Consolidated Interest Expense (including (A) fees and expenses paid to the Administrative Agent in connection with its services hereunder, (B) other bank, administrative agency (or trustee) and financing fees (including rating agency fees), (C) costs of surety bonds in connection with financing activities (whether amortized or immediately expensed) and (D) commissions, discounts and other fees and charges owed

with respect to revolving commitments, letters of credit, bank guarantees, bankers' acceptances or any similar facilities or financing and hedging agreements);

(ii) Taxes paid and any provision for Taxes, including income, profits, capital, foreign, federal, state, local, franchise and similar Taxes, property Taxes, foreign withholding Taxes and foreign unreimbursed value added Taxes (including penalties and interest related to any such Tax or arising from any Tax examination, and including pursuant to any Tax sharing arrangement or as a result of any Tax distribution) of such Person paid or accrued during the relevant period;

(iii) (A) depreciation, (B) amortization (including amortization of goodwill, software and other intangible assets), (C) any impairment Charge (including any bad debt expense) and (D) any asset write-off and/or write-down (other than the write-down of current assets);

(iv) any non-cash Charge, including the excess of rent expense over actual Cash rent paid, including the benefit of lease incentives (in the case of a charge) during such period due to the use of straight line rent for GAAP purposes, including any non-cash Charge pursuant to any management equity plan, stock option plan or any other management or employee benefit plan, agreement or any stock subscription or shareholder agreement (provided that if any such non-Cash Charge represents an accrual or reserve for potential Cash items in any future period, such Person may determine not to add back such non-Cash Charge in the then-current period);

(v) any financial statement audit adjustments related to errors identified from audits completed prior to the Closing Date;

(vi) Receivables Fees and the amount of loss or discount on the sale of Receivables Facility Assets and related assets to a Receivables Subsidiary in connection with a Receivables Facility;

(vii) the amount of management, monitoring, consulting, transaction, advisory, termination and similar fees and related indemnities and expenses (including reimbursements), paid or accrued and payments made to any Investor (and/or its Affiliates or management companies) for any financial advisory, consulting, financing, underwriting or placement services or in respect of other investment banking activities and other transaction fees, and payments to outside directors of Parent actually paid by or on behalf of, or accrued by, such Person or any of its subsidiaries; provided that such payment is permitted under this Agreement;

(viii) [reserved];

(ix) the amount of earn-out and other contingent consideration obligations (including to the extent accounted for as bonuses, compensation or otherwise) incurred in connection with any acquisition or other Investment permitted by this Agreement, in each case, which is paid or accrued during the applicable period;

(x) pro forma adjustments, including pro forma "run rate" cost savings, operating expense reductions, operational improvements and synergies (collectively, "**Expected Cost Savings**") (net of actual amounts realized) (1) that are reasonably identifiable and projected by Parent in good faith to result from actions that have been

taken or with respect to which substantial steps have been taken or are expected to be taken within 24 months after the end of such period (in the good faith determination of such Person) or (2) that have been identified to the Administrative Agent prior to the Closing Date (including by inclusion in any financial model, confidential information memorandum or quality of earnings or similar report or analysis) related to (A) the Transactions and (B) any permitted asset sale, acquisition (including the commencement of activities constituting a business line), combination, Investment, Disposition (including the termination or discontinuance of activities constituting a business line), operating improvement, restructuring, cost savings initiative, any similar initiative (including the renegotiation or renewal of contracts and other arrangements or efficiencies from the shifting of production of one or more products from one manufacturing facility to another) and/or specified transaction, in each case prior to, on or after the Closing Date (calculated on a Pro Forma Basis as though such Expected Cost Savings had been realized in full on the first day of such period) (any such operating improvement, restructuring, cost savings initiative or similar initiative or specified transaction, a "**Cost Saving Initiative**");

(xi) any Charge on account of duplicative integration costs or similar duplicate or increased costs in respect of any transition services agreement, in each case resulting from the transition of Parent and its Restricted Subsidiaries to a standalone company;

(xii) any Charge with respect to any liability or casualty event, business interruption or any product recall, (i) so long as such Person has submitted in good faith, and reasonably expects to receive payment in connection with, a claim for reimbursement of such amounts under its relevant insurance policy within the next four Fiscal Quarters (with a deduction in the applicable future period for any amount so added back to the extent not so reimbursed within the next four Fiscal Quarters) or (ii) without duplication of amounts included in a prior period under the preceding clause (i), to the extent such Charge is covered by insurance, indemnification or otherwise reimbursable by a third party (whether or not then realized so long as Parent in good faith expects to receive proceeds arising out of such insurance, indemnification or reimbursement obligation within the next four Fiscal Quarters) (it being understood that if the amount received in cash under any such agreement in any period exceeds the amount of expense paid during such period, any excess amount received may be carried forward and applied against any expense in any future period);

(xiii) any net Charge in respect of hedging obligations or other derivative instruments entered into for the purpose of hedging interest rate risk;

(xiv) the amount of any Cash actually received by such Person (or the amount of the benefit of any netting arrangement resulting in reduced Cash expenditures) during such period, and not included in Consolidated Net Income in any period, to the extent that any non-Cash gain relating to such Cash receipt or netting arrangement was deducted in the calculation of Consolidated Adjusted EBITDA pursuant to clause (c)(i) below for any previous period and not added back;

(xv) the amount of any "bad debt" expense related to revenue earned prior to the Closing Date;

(xvi) any net Charge included in Parent's consolidated financial statements due to the application of Accounting Standards Codification Topic 810 ("ASC 810");

(xvii) the amount of any non-controlling interest or minority interest Charge consisting of income attributable to minority equity interests of third parties in any non-Wholly Owned Subsidiary;

(xviii) the amount of any Charges (including facility operating losses) related to any de novo facility or any facility renovation, including any construction, pre-opening/re-opening and start-up period prior to opening (or re-opening, as applicable), until such facility has been open (or renovated) and operating for a period of 18 consecutive months;

(xix) any other adjustments, exclusions and add-backs of the type (x) reflected in the Lender Presentation, (y) that are consistent with Regulation S-X or (z) contained in any due diligence quality of earnings report made available to the Administrative Agent from time to time by (A) a nationally recognized accounting firm or (B) any other accounting firm reasonably acceptable to the Administrative Agent;

(xx) for the first 18 months following the opening of a de novo facility, an amount annualized over the applicable period based on the actual Consolidated Adjusted EBITDA attributable to such de novo facility for each month such de novo facility has been in operation (as determined by Parent in good faith);

(xxi) for the first 18 months following the renovation of a facility, an amount annualized over the applicable period based on the actual Consolidated Adjusted EBITDA attributable to performance gains for such facility for each month such facility has been in operation post-renovation (as determined by Parent in good faith); and

(xxii) the amount of any Charges (including losses) attributable to any new customer contract within the first two years following the date on which such contract becomes effective;

minus (c) to the extent such amounts increase Consolidated Net Income, other than in respect of clause (ii) below:

(i) non-Cash gains or income; provided that if any non-Cash gain or income represents an accrual or deferred income in respect of potential Cash items in any future period, such Person may determine not to deduct such non-Cash gain or income in the then-current period;

(ii) any net gain in respect of hedging obligations or other derivative instruments entered into for the purpose of hedging interest rate risk;

(iii) [reserved];

(iv) the amount added back to Consolidated Adjusted EBITDA pursuant to clause (b)(xii) above (as described in such clause) to the extent the relevant business interruption insurance proceeds were not received within the time period required by such clause;

(v) to the extent that such Person adds back the amount of any non-Cash charge to Consolidated Adjusted EBITDA pursuant to clause (b)(iv) above, the cash payment in respect thereof in the relevant future period;

(vi) the excess of actual Cash rent paid over rent expense during such period due to the use of straight line rent for GAAP purposes; and

(vii) any Consolidated Net Income included in Parent's consolidated financial statements due to the application of ASC 810.

(d) increased or decreased (without duplication) by, as applicable, any adjustments resulting from the application of Accounting Standards Codification Topic 460 or any comparable regulation.

Notwithstanding anything to the contrary herein, it is agreed that for the purpose of calculating the Total Leverage Ratio, the First Lien Leverage Ratio, the Interest Coverage Ratio and the Secured Leverage Ratio and/or the amount of any basket based on a percentage of Consolidated Adjusted EBITDA for any period that includes the Fiscal Quarters ended [●], Consolidated Adjusted EBITDA for such Fiscal Quarters shall be deemed to be [●], respectively, in each case, as adjusted (i) on a Pro Forma Basis, as applicable and (ii) pursuant to clauses (b)(x), (b)(xx), (b)(xxi) and (b)(xxii) above, as applicable for each Test Period.

"**Consolidated First Lien Debt**" means, as to any Person at any date of determination, the aggregate principal amount of Consolidated Total Debt outstanding on such date that is secured by a first priority Lien on any asset or property of such Person or its Restricted Subsidiaries that constitutes Collateral.

"**Consolidated Interest Expense**" means, with respect to any Person for any period, the sum of (a) consolidated total interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued and whether or not capitalized (including (without duplication), amortization of any debt issuance cost and/or original issue discount, any premium paid to obtain payment, financial assurance or similar bonds, any interest capitalized during construction, any non-cash interest payment, the interest component of any deferred payment obligation, commissions, discounts, yield and other fees and charges (including any interest expense) related to any Qualified Receivables Facility, the interest component of any payment under any Finance Lease (regardless of whether accounted for as interest expense under GAAP), any commission, discount and/or other fee or charge owed with respect to any letter of credit, bank guarantee and/or bankers' acceptance or any similar facilities, any fee and/or expense paid to the Administrative Agent in connection with its services hereunder, any other bank, administrative agency (or trustee) and/or financing fee and any cost associated with any surety bond in connection with financing activities (whether amortized or immediately expensed)), *plus* (b) any cash dividend or distribution paid or payable in respect of Disqualified Capital Stock during such period other than to such Person or any Loan Party, *plus* (c) any net losses, obligations or payments arising from or under any Derivative Transaction of the type set forth in clause (a) of the definition thereof and/or other similar derivative financial instrument issued by such Person for the benefit of such Person or its subsidiaries, in each case determined on a consolidated basis for such period. For purposes of this definition, interest in respect of any Finance Lease shall be deemed to accrue at an interest rate reasonably determined by such Person to be the rate of interest implicit in such Finance Lease in accordance with GAAP.

"**Consolidated Net Income**" means, as to any Person (the "**Subject Person**") for any period, the net income (or loss) of the Subject Person and its Restricted Subsidiaries on a consolidated basis for such

period taken as a single accounting period determined in conformity with GAAP; provided that there shall be excluded, without duplication,

(a) (i) any net income (loss) of any Person if such Person is not Parent or a Restricted Subsidiary, except that Consolidated Net Income will be increased by the amount of dividends, distributions or other payments made in Cash or Cash Equivalents (or converted into Cash or Cash Equivalents) or that could have been made in Cash or Cash Equivalents during such period (as determined in good faith by Parent) by such Person to Parent or any Restricted Subsidiary (subject, in the case of any such Restricted Subsidiary that is not a Loan Party, to the limitations contained in clause (ii) below) and (ii) solely for the purpose of determining the amount available for Restricted Payments under Section 6.04(a)(ii)(A) or the amount of Excess Cash Flow, any net income (loss) of any Restricted Subsidiary (other than a Loan Party) if such Subsidiary is subject to restrictions on the payment of dividends or the making of distributions by such Restricted Subsidiary, directly or indirectly, to Parent or any other Loan Party by operation of its organizational documents or any agreement, instrument, judgment, decree, order, statute or governmental rule or regulation applicable thereto (other than (x) any restriction that has been waived or otherwise released and (y) any restriction set forth in the Loan Documents, the documents related to any Incremental Loans and/or Incremental Equivalent Debt and the documents relating to any Replacement Debt or Refinancing Indebtedness in respect of any of the foregoing), except that Consolidated Net Income will be increased by the amount of dividends, distributions or other payments made in Cash or Cash Equivalents (or converted into Cash or Cash Equivalents) or that could have been made in Cash or Cash Equivalents during such period (as determined in good faith by Parent) by the Restricted Subsidiary (subject, in the case of a dividend, distribution or other payment to another Restricted Subsidiary, to the limitations in this clause (ii));

(b) any gain or Charge attributable to any asset Disposition (including asset retirement costs or sales or issuances of Capital Stock) or of returned or surplus assets outside the ordinary course of business (as determined in good faith by such Person),

(c) (i) any gain or Charge from (A) any extraordinary or exceptional item (as determined in good faith by such Person) and/or (B) any non-recurring, special or unusual item (as determined in good faith by such Person) and/or (ii) any Charge associated with and/or payment of any actual or prospective legal settlement, fine, judgment or order,

(d) (i) any unrealized or realized net foreign currency translation or transaction gains or Charges impacting net income (including currency re-measurements of Indebtedness, any net gains or Charges resulting from Hedge Agreements for currency exchange risk, associated with the above or any other currency related risk, any gains or Charges relating to translation of assets and liabilities denominated in a foreign currency and those resulting from intercompany Indebtedness), (ii) any realized or unrealized gain or Charge in respect of (x) any obligation under any Hedge Agreement as determined in accordance with GAAP and/or (y) any other derivative instrument pursuant to, in the case of this clause (y), Financial Accounting Standards Board's Accounting Standards Codification No. 815-Derivatives and Hedging and (iii) unrealized gains or losses in respect of any Hedge Agreement and any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value of changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in respect of Hedge Agreements;

(e) any net gain or Charge with respect to (i) any disposed, abandoned, divested and/or discontinued asset, property or operation, (ii) any disposal, abandonment, divestiture

and/or discontinuation of any asset, property or operation and/or (iii) any facility that has been closed during such period,

(f) any net income or Charge (less all fees and expenses or charges related thereto) attributable to (i) the early extinguishment or cancellation of Indebtedness or (ii) any Derivative Transaction,

(g) (i) any Charge incurred as a result of, in connection with or pursuant to any management equity plan, profits interest or stock option plan or any other management or employee benefit plan or agreement, any pension plan (including any post-employment benefit scheme which has been agreed with the relevant pension trustee), any stock subscription or shareholders agreement, any employee benefit trust, any employee benefit scheme, any distributor equity plan or any similar equity plan or agreement (including any deferred compensation arrangement), (ii) any Charge incurred in connection with the rollover, acceleration or payout of Capital Stock held by management of Parent and/or any of its subsidiaries, in each case under this clause (ii), to the extent that any such cash Charge is funded with net Cash proceeds contributed to the Subject Person as a capital contribution or as a result of the sale or issuance of Qualified Capital Stock of the Subject Person and (iii) the amount of payments made to optionholders of such Person in connection with, or as a result of, any distribution being made to equityholders of such Person, which payments are being made to compensate such optionholders as though they were equityholders at the time of, and entitled to share in, such distribution, in each case to the extent permitted hereunder,

(h) any Charge that is established, adjusted and/or incurred, as applicable, (i) within 12 months after the Closing Date that is required to be established, adjusted or incurred, as applicable, as a result of the Transactions in accordance with GAAP, (ii) within 12 months after the closing of any acquisition that is required to be established, adjusted or incurred, as applicable, as a result of such acquisition in accordance with GAAP or (iii) as a result of any change in, or the adoption or modification of, accounting principles or policies,

(i) any (A) write-off or amortization made in such period of deferred financing costs and premiums paid or other expenses incurred directly in connection with any early extinguishment of Indebtedness, (B) goodwill or other asset impairment charges, write-offs or write-downs, (C) amortization of intangible assets and (D) other amortization (including amortization of goodwill, software, deferred or capitalized financing fees, debt issuance costs, commissions and expenses and other intangible assets),

(j) (A) the effects of adjustments (including the effects of such adjustments pushed down to the Subject Person and its subsidiaries) in component amounts required or permitted by GAAP (including, without limitation, in the inventory (including any impact of changes to inventory valuation policy methods, including changes in capitalization of variances), property and equipment, lease, rights fee arrangements, software, goodwill, intangible asset (including customer molds), in-process research and development, deferred revenue, advanced billing and debt line items thereof), resulting from the application of recapitalization accounting or acquisition or purchase accounting, as the case may be, in relation to the Transactions or any consummated acquisition or other Investment or the amortization or write-off of any amounts thereof (including any write-off of in process research and development) and/or (B) the cumulative effect of any change in accounting principles or policies (effected by way of either a cumulative effect adjustment or as a retroactive application, in each case, in accordance with GAAP) (except that, if Parent determines in good faith that the cumulative effects thereof are not material to the interests of the Lenders, the effects of any change in any such principles or

policies may be included in any subsequent period after the Fiscal Quarter in which such change, adoption or modification was made),

(k) the income or loss of any Person accrued prior to the date on which such Person became a Restricted Subsidiary of such Subject Person or is merged into or consolidated with such Subject Person or any Restricted Subsidiary of such Subject Person or the date that such other Person's assets are acquired by such Subject Person or any Restricted Subsidiary of such Subject Person (except to the extent required for any calculation of Consolidated Adjusted EBITDA on a Pro Forma Basis in accordance with Section 1.04),

(l) any deferred Tax expense associated with any tax deduction or net operating loss arising as a result of the Transactions, or the release of any valuation allowance related to any such item,

(m) (i) any non-cash deemed finance Charges in respect of any pension liabilities or other provisions and (ii) income (loss) attributable to deferred compensation plans or trusts,

(n) earn-out, non-compete and contingent consideration obligations (including to the extent accounted for as bonuses, compensation or otherwise) and adjustments thereof and purchase price adjustments, including in connection with the Transactions, any acquisition or Investment permitted hereunder or in respect of any acquisition consummated prior to the Closing Date,

(o) (A) Transaction Costs, (B) any Charges incurred in connection with any transaction (in each case, regardless of whether consummated), whether or not permitted under this Agreement, including any issuance and/or incurrence of Indebtedness and/or any issuance and/or offering of Capital Stock, any Investment, any acquisition, any Disposition, any recapitalization, any merger, consolidation or amalgamation, becoming a standalone company, any option buyout or any repayment, redemption, refinancing, amendment or modification of Indebtedness (including any amortization or write-off of debt issuance or deferred financing costs, premiums and prepayment penalties) or any similar transaction and/or (C) the amount of any Charges that are actually reimbursed or reimbursable by third parties pursuant to indemnification or reimbursement provisions or similar agreements or insurance (it being understood that if the amount received in cash under any such agreement in any period exceeds the amount of expense paid during such period, any excess amount received may be carried forward and applied against any expense in any future period); provided that in respect of any reimbursable Charge that is added back in reliance on clause (C) above, such relevant Person in good faith expects to receive reimbursement for such Charge within the next four Fiscal Quarters (with a deduction in the applicable future period for any amount so added back to the extent not so reimbursed within the next four Fiscal Quarters),

(p) Charges incurred or accrued in connection with any single or one-time event (as determined in good faith by such Person), including in connection with (A) the Transactions and/or any acquisition consummated after the Closing Date (including legal, accounting and other professional fees and expenses incurred in connection with acquisitions and other Investments made prior to the Closing Date), (B) the closing, consolidation or reconfiguration of any facility during such period or (C) one-time consulting costs,

(q) Charges attributable to the undertaking and/or implementation of new initiatives, business optimization activities, cost savings initiatives (including Cost Saving Initiatives), cost rationalization programs, operating expense reductions and/or synergies and/or similar initiatives

and/or programs (including in connection with any integration, restructuring or transition, any reconstruction, decommissioning, recommissioning or reconfiguration of fixed assets for alternative uses, any office or facility opening and/or pre-opening), including the following: any inventory optimization program and/or any curtailment, any business optimization Charge, any restructuring Charge (including any Charge relating to any tax restructuring), any Charge relating to the closure or consolidation of any office or facility (including but not limited to rent termination costs, moving costs and legal costs), any systems implementation Charge, any severance Charge, any one time compensation Charge, any Charge relating to entry into a new market, any Charge relating to rights fee arrangements (including any early terminations thereof), any Charge relating to any strategic initiative or contract, any signing Charge, any Charge relating to any entry into new markets and contracts (including, without limitation, any renewals, extensions or other modifications thereof) or new product introductions or exiting a market, contract or product, any retention or completion Charge or bonus, any recruiting Charge, any lease run-off Charge, any expansion and/or relocation Charge, any Charge associated with any modification or curtailment to any pension and post-retirement employee benefit plan (including any settlement of pension liabilities), any software or other intellectual property development Charge, any Charge associated with new systems design, any implementation Charge, any transition Charge, any Charge associated with improvements to IT or accounting functions, losses related to temporary decreases in work volume and expenses related to maintaining underutilized personnel, any transition Charge, any project startup Charge, any Charge in connection with new operations, any Charge in connection with unused warehouse space, any Charge relating to a new contract, any consulting Charge and/or any corporate development Charge,

(r) non-cash compensation Charges and/or any other non-cash Charges arising from the granting of any stock, stock option or similar arrangement (including any profits interest), the granting of any restricted stock, stock appreciation right and/or similar arrangement (including any repricing, amendment, modification, substitution or change of any such stock option, restricted stock, stock appreciation right, profits interest or similar arrangement or the vesting of any warrant), and

(s) to the extent such amount would otherwise increase Consolidated Net Income, (A) Taxes paid (including pursuant to any Tax sharing arrangement) in cash (including, to the extent paid in cash, Taxes arising out of any tax examination) and (B) Tax distributions made in cash during such period.

In addition, to the extent not already included in the Consolidated Net Income of such Person and its Restricted Subsidiaries, Consolidated Net Income will include the proceeds of business interruption insurance (whether or not received so long as Parent in good faith expects to receive such proceeds within the next four Fiscal Quarters (with a deduction in the applicable future period for any amount so added back to the extent not so received within the next four Fiscal Quarters)).

"**Consolidated Secured Debt**" means, as to any Person at any date of determination, the aggregate principal amount of Consolidated Total Debt outstanding on such date that is secured by a Lien on any asset or property of such Person or its Restricted Subsidiaries that constitutes Collateral.

"**Consolidated Total Assets**" means, as to any Person, at any date, all amounts that would, in conformity with GAAP, be set forth opposite the caption "total assets" (or any like caption) on a consolidated balance sheet of the applicable Person at such date.

"**Consolidated Total Debt**" means, as to any Person at any date of determination, the aggregate principal amount of all third party debt for borrowed money (including LC Disbursements that have not been reimbursed within three Business Days and the outstanding principal balance of all Indebtedness of such Person represented by notes, bonds and similar instruments), Finance Leases and purchase money Indebtedness (but excluding, for the avoidance of doubt, undrawn letters of credit), in each case of such Person; provided that "Consolidated Total Debt" shall be calculated (i) net of the Unrestricted Cash Amount, (ii) to exclude any obligation, liability or indebtedness of such Person if, upon or prior to the maturity thereof, such Person has irrevocably deposited with the proper Person in trust or escrow the necessary funds (or evidences of indebtedness) for the payment, redemption or satisfaction of such obligation, liability or indebtedness, and thereafter such funds and evidences of such obligation, liability or indebtedness or other security so deposited are not included in the calculation of the Unrestricted Cash Amount, (iii) to exclude obligations under any Derivative Transaction, any Qualified Receivables Facility, or under any Indebtedness that is non-recourse to Parent and its Restricted Subsidiaries and (iv) to exclude obligations under any Non-Financing Lease Obligation.

"**Consolidated Working Capital**" means, as at any date of determination, the excess of Current Assets over Current Liabilities.

"**Consolidated Working Capital Adjustment**" means, for any period on a consolidated basis, the amount (which may be a negative number) by which Consolidated Working Capital as of the beginning of such period exceeds (or is less than) Consolidated Working Capital as of the end of such period; provided that there shall be excluded (a) the effect of reclassification during such period between current assets and long term assets and current liabilities and long term liabilities (with a corresponding restatement of the prior period to give effect to such reclassification), (b) the effect of any Disposition of any Person, facility or line of business or acquisition of any Person, facility or line of business during such period, (c) the effect of any fluctuations in the amount of accrued and contingent obligations under any Hedge Agreement and (d) the application of purchase or recapitalization accounting.

"**Contractual Obligation**" means, as applied to any Person, any provision of any Security issued by that Person or of any indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

"**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.

"**Copyright**" means the following: (a) all copyrights, rights and interests in copyrights, works protectable by copyright whether published or unpublished, copyright registrations and copyright applications; (b) all renewals of the foregoing; (c) all income, royalties, damages, and payments now or hereafter due or payable under any of the foregoing, including, without limitation, damages or payments for past or future infringements thereof; (d) the right to sue for past, present, and future infringements thereof; and (e) all domestic rights corresponding to any of the foregoing.

"**Corporate Reorganization**" has the meaning assigned to such term in the Form S-1.

"**Cost Saving Initiative**" has the meaning assigned to such term in the definition of "Consolidated Adjusted EBITDA".

"**Covered Entity**" means any of the following:

(a) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(b) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(c) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"**Covered Party**" shall have the meaning assigned to such term in Section 9.24.

"**Credit Extension**" means each of (i) the making of any Loan hereunder or (ii) the issuance, amendment, modification, renewal or extension of any Letter of Credit (other than any such amendment, modification, renewal or extension that does not increase the Stated Amount of the relevant Letter of Credit).

"**Credit Facilities**" means any Revolving Facility and the Term Facility.

"**Credit Suisse**" means Credit Suisse AG, Cayman Islands Branch.

"**Cure Amount**" has the meaning assigned to such term in Section 6.15(b).

"**Cure Right**" has the meaning assigned to such term in Section 6.15(b).

"**Cured Default**" has the meaning assigned to such term in Section 1.03(c).

"**Current Assets**" means, at any date, all assets of Parent and its Restricted Subsidiaries which under GAAP would be classified as current assets (excluding any (i) cash or Cash Equivalents (including cash and Cash Equivalents held on deposit for third parties by Parent and/or any Restricted Subsidiary), (ii) permitted loans to third parties, (iii) deferred bank fees and derivative financial instruments related to Indebtedness, (iv) the current portion of current and deferred Taxes and (v) assets held for sale or pension assets).

"**Current Liabilities**" means, at any date, all liabilities of Parent and its Restricted Subsidiaries which under GAAP would be classified as current liabilities, other than (i) current maturities of long term debt, (ii) outstanding revolving loans and letter of credit exposures, (iii) accruals of Consolidated Interest Expense (excluding Consolidated Interest Expense that is due and unpaid), (iv) obligations in respect of derivative financial instruments related to Indebtedness, (v) the current portion of current and deferred Taxes, (vi) liabilities in respect of unpaid earnouts, (vii) accruals relating to restructuring reserves, (viii) liabilities in respect of funds of third parties on deposit with Parent and/or any Restricted Subsidiary, (ix) the current portion of any Finance Lease and the current portion of any Non-Financing Lease Obligation that is otherwise required to be capitalized, (x) any liabilities recorded in connection with stock based awards, partnership interest based awards, awards of profits interests, deferred compensation awards and similar initiative based compensation awards or arrangements, (xi) the current portion of any current or deferred pension plan liabilities and (xii) the current portion of any other long term liability for borrowed money.

"**Customary Term A Loans**" means any term loans that are syndicated primarily to Persons regulated as banks in the primary syndication thereof, that, when made, have scheduled amortization of at least 2.5% per year prior to maturity, and that contain other provisions customary for "term A loans," as reasonably determined by Parent in consultation with the Administrative Agent.

"**Daylight Term Lender**" means any Lender with a Daylight Term Loan Commitment or an outstanding Daylight Term Loan. As of the Closing Date, the only Daylight Term Lender is Goldman Sachs Bank USA.

"**Daylight Term Loan Commitment**" means, with respect to the Daylight Term Lender, the commitment of such Daylight Term Lender to make Daylight Term Loans hereunder in an aggregate amount not to exceed the amount set forth opposite the Daylight Term Lender's name on the Commitment Schedule, as the same may be reduced from time to time pursuant to Section 2.09 or Section 2.19.

"**Daylight Term Loan Maturity Date**" means the date that is one Business Day after the Closing Date.

"**Daylight Term Loans**" means the loans made by the Daylight Term Lender to the Borrower pursuant to Section 2.01(a).

"**Debt Fund Affiliate**" means any Affiliate (other than a natural person) of Parent that is a bona fide debt fund or investment vehicle that is primarily engaged in, or advises funds or other investment vehicles that are engaged in, making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit in the ordinary course of business.

"**Debtor Relief Laws**" means the Bankruptcy Code of the U.S., and all other liquidation, conservatorship, bankruptcy, general assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization or similar debtor relief laws of the U.S. or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"**Declined Proceeds**" has the meaning assigned to such term in Section 2.11(b)(v).

"**Default**" means any event or condition which upon notice, lapse of time or both would become 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 any Lender that has (a) defaulted in its obligations under this Agreement, including without limitation, to make a Loan within one Business Day of the date required to be made by it hereunder or to fund its participation in a Letter of Credit required to be funded by it hereunder within two Business Days of the date such obligation arose or such Loan or Letter of Credit was required to be made or funded, unless such Lender notifies the Administrative Agent and Parent 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, (b) notified the Administrative Agent, any Issuing Bank hereunder, or any Loan Party in writing that it does not intend to satisfy any such obligation or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or under agreements in which it commits to extend credit generally (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) failed, within two Business Days after the request of Administrative Agent or Parent, to confirm in writing that it will comply with the terms of this Agreement relating to its obligations to fund prospective Loans and participations in then outstanding Letters of

Credit 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, (d) become (or any parent company thereof has become) insolvent or been determined by any Governmental Authority having regulatory authority over such Person or its assets, to be insolvent, or the assets or management of which has been taken over by any Governmental Authority, (e) become (or any parent company thereof has become) the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or custodian, appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in, any such proceeding or appointment, unless in the case of any Lender subject to this clause (e), Parent and the Administrative Agent shall each have determined that such Lender intends, and has all approvals required to enable it (in form and substance satisfactory to each of Parent and the Administrative Agent), to continue to perform its obligations as a Lender hereunder or (f) become (or any parent company thereof has become) the subject of a Bail-In Action; provided that no Lender shall be deemed to be a Defaulting Lender solely by virtue of the ownership or acquisition of any Capital Stock in such Lender or its parent by any Governmental Authority; provided that such action does not result in or provide such Lender with immunity from the jurisdiction of courts within the U.S. 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 contract or agreement to which such Lender is a party.

"**Deposit Account**" means a demand, time, savings, passbook or like account with a bank, savings and loan association, credit union or like organization, excluding, for the avoidance of doubt, any investment property (within the meaning of the UCC) or any account evidenced by an instrument or negotiable certificate of deposit (within the meaning of the UCC).

"**Derivative Transaction**" means (a) any interest-rate transaction, including any interest-rate swap, basis swap, forward rate agreement, interest rate option (including a cap, collar or floor), and any other instrument linked to interest rates that gives rise to similar credit risks (including when-issued securities and forward deposits accepted), (b) any exchange-rate transaction, including any cross-currency interest-rate swap, any forward foreign-exchange contract, any currency option, and any other instrument linked to exchange rates that gives rise to similar credit risks, (c) any equity derivative transaction, including any equity-linked swap, any equity-linked option, any forward equity-linked contract, and any other instrument linked to equities that gives rise to similar credit risk and (d) any commodity (including precious metal) derivative transaction, including any commodity-linked swap, any commodity-linked option, any forward commodity-linked contract, and any other instrument linked to commodities that gives rise to similar credit risks; provided, that, no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees, members of management, managers or consultants of Parent or its subsidiaries shall constitute a Derivative Transaction.

"**Designated Non-Cash Consideration**" means the fair market value (as determined by Parent in good faith) of non-Cash consideration received by Parent or any Restricted Subsidiary in connection with any Disposition pursuant to Section 6.07(h) that is designated as Designated Non-Cash Consideration pursuant to a certificate of a Responsible Officer of Parent, setting forth the basis of such valuation (which amount will be reduced by the amount of Cash or Cash Equivalents received in connection with a subsequent sale or conversion of such Designated Non-Cash Consideration to Cash or Cash Equivalents).

"**Discount Range**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Disposition**" or "**Dispose**" means the sale, lease, sublease or other disposition of any property of any Person. The fair market value of any assets or other property Disposed of shall be determined by Parent in good faith and shall be measured at the time provided for in Section 1.04(e).

"**Disqualified Capital Stock**" means any Capital Stock which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, (a) matures (excluding any maturity as the result of an optional redemption by the issuer thereof) or is mandatorily redeemable (other than for Qualified Capital Stock), pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than for Qualified Capital Stock), in whole or in part, prior to 91 days following the Latest Maturity Date at the time such Capital Stock is issued (it being understood that if any such redemption is in part, only such part coming into effect prior to 91 days following the Latest Maturity Date at the time such Capital Stock is issued shall constitute Disqualified Capital Stock), (b) is or becomes convertible into or exchangeable (unless at the sole option of the issuer thereof) for (i) debt securities or (ii) any Capital Stock that would constitute Disqualified Capital Stock, in each case at any time on or prior to 91 days following the Latest Maturity Date at the time such Capital Stock is issued, (c) contains any mandatory repurchase obligation or any other repurchase obligation at the option of the holder thereof (other than for Qualified Capital Stock), in whole or in part, which may come into effect prior to 91 days following the Latest Maturity Date at the time such Capital Stock is issued (it being understood that if any such repurchase obligation is in part, only such part coming into effect prior to 91 days following such Latest Maturity Date at the time such Capital Stock is issued shall constitute Disqualified Capital Stock) or (d) provides for the scheduled payments of dividends in Cash on or prior to 91 days following the Latest Maturity Date at the time such Capital Stock is issued; provided that any Capital Stock that would not constitute Disqualified Capital Stock but for provisions thereof giving holders thereof (or the holders of any security into or for which such Capital Stock is convertible, exchangeable or exercisable) the right to require the issuer thereof to redeem such Capital Stock upon the occurrence of any change of control or any Disposition occurring prior to 91 days following the Latest Maturity Date at the time such Capital Stock is issued shall not constitute Disqualified Capital Stock if such Capital Stock provides that the issuer thereof will not redeem any such Capital Stock pursuant to such provisions prior to the Termination Date.

Notwithstanding the preceding sentence, (A) if such Capital Stock is issued pursuant to any plan for the benefit of directors, officers, employees, members of management, managers or consultants or by any such plan to such directors, officers, employees, members of management, managers or consultants, in each case in the ordinary course of business of Parent or any Restricted Subsidiary, such Capital Stock shall not constitute Disqualified Capital Stock solely because it may be required to be repurchased by the issuer thereof in order to satisfy applicable statutory or regulatory obligations and (B) no Capital Stock held by any Permitted Payee shall be considered Disqualified Capital Stock because such stock is redeemable or subject to repurchase pursuant to any management equity subscription agreement, stock option, stock appreciation right or other stock award agreement, stock ownership plan, put agreement, stockholder agreement or similar agreement that may be in effect from time to time.

"**Disqualified Institution**" means:

(a) (i) any Person identified as such in writing to the Arrangers on [ ], 2019 by way of email from Parent (or its attorneys on such date), (ii) any Person identified as such by Parent in writing after [ ], 2019 (and reasonably satisfactory) to the Arrangers (or if after the Closing Date, to the Administrative Agent in place of the Arrangers), (iii) any Affiliate of any Person described in clause (i) or (ii) above that is reasonably identifiable as an Affiliate of such Person on the basis of such Affiliate's name and (iv) any other Affiliate of any Person described in clause (i) or (ii) above that is identified by Parent in a written notice to the Arrangers (if prior to the Closing Date) or the Administrative Agent (if after the Closing Date) (other than Bona Fide Debt Funds other

than such Bona Fide Debt Funds excluded pursuant to clause (a)(i) or (a)(ii) of this paragraph) (each such person described in clauses (i) through (iv) above, a "**Disqualified Lending Institution**");

(b) (i) any Person that is a Company Competitor and/or any Affiliate of any Company Competitor (other than any Affiliate that is a Bona Fide Debt Fund) and is identified by Parent as such in writing to the Arrangers (if prior to the Closing Date) or the Administrative Agent (if after the Closing Date), (ii) any Affiliate of any Person described in clause (i) above (other than any Affiliate that is a Bona Fide Debt Fund) that is reasonably identifiable as an Affiliate of such person on the basis of such Affiliate's name and (iii) any other Affiliate of any Person described in clause (i) above that is identified by Parent in a written notice to the Arrangers (if prior to the Closing Date) or to the Administrative Agent (if after the Closing Date) (it being understood and agreed that no Bona Fide Debt Fund may be designated as a Disqualified Institution pursuant to this clause (iii), but such Bona Fide Debt Fund may be designated as a Disqualified Lending Institution pursuant to clause (a) above); and

(c) any Affiliate or Representative of any Arranger and/or any Initial Lender that is engaged as a principal primarily in private equity, mezzanine financing or venture capital;

it being understood and agreed that no written notice delivered pursuant to clauses (a)(ii), (a)(iv), (b)(i) and/or (b)(iii) above shall apply retroactively to disqualify any Person that has previously acquired an assignment or participation interest in any Loans or Commitments if such Person was not a Disqualified Institution at the time of acquisition of such assignment or participation interest.

"**Disqualified Lending Institution**" has the meaning assigned to such term in the definition of "Disqualified Institution".

"**Disregarded Domestic Subsidiary**" means any Domestic Subsidiary that has no material assets other than the Capital Stock and/or Indebtedness of one or more Foreign Subsidiaries or one or more Disregarded Domestic Subsidiaries, IP Rights related to such Foreign Subsidiaries or Disregarded Domestic Subsidiaries, Cash or Cash Equivalents and other incidental assets related thereto.

"**Dollars**" or "**$**" refers to lawful money of the U.S.

"**Domestic Subsidiary**" means any Restricted Subsidiary incorporated or organized under the laws of the U.S., any state thereof or the District of Columbia.

"**Dutch Auction**" means an auction (an "**Auction**") conducted by any Affiliated Lender or any Debt Fund Affiliate (any such Person, the "**Auction Party**") in order to purchase Initial Term Loans (or any Additional Term Loans), substantially in accordance with the following procedures (as may be modified by such Affiliated Lender or Debt Fund Affiliate (as applicable) and the applicable "auction agent" in connection with a particular Auction transaction); provided that no Auction Party shall initiate any Auction unless (I) at least five Business Days have passed since the consummation of the most recent purchase of Term Loans pursuant to an Auction conducted hereunder; or (II) at least three Business Days have passed since the date of the last Failed Auction (or equivalent) which was withdrawn:

(a) Notice Procedures. In connection with any Auction, the Auction Party will provide notification to the Auction Agent (for distribution to the relevant Lenders) of the Term Loans that will be the subject of the Auction (an "**Auction Notice**"). Each Auction Notice shall be in a form reasonably acceptable to the Auction Agent and shall (i) specify the maximum aggregate principal amount of the Term Loans subject to the Auction, in a minimum amount of

$10,000,000 and whole increments of $1,000,000 in excess thereof (or, in any case, such lesser amount of such Term Loans then outstanding or which is otherwise reasonably acceptable to the Auction Agent and the Administrative Agent (if different from the Auction Agent)) (the "**Auction Amount**"), (ii) specify the discount to par (which may be a range (the "**Discount Range**") of percentages of the par principal amount of the Term Loans subject to such Auction), that represents the range of purchase prices that the Auction Party would be willing to accept in the Auction, (iii) be extended, at the sole discretion of the Auction Party, to (x) each Lender and/or (y) each Lender with respect to any Term Loan on an individual Class basis and (iv) remain outstanding through the Auction Response Date. The Auction Agent will promptly provide each appropriate Lender with a copy of the Auction Notice and a form of the Return Bid to be submitted by a responding Lender to the Auction Agent (or its delegate) by no later than 5:00 p.m. on the date specified in the Auction Notice (or such later date as the Auction Party may agree with the reasonable consent of the Auction Agent) (the "**Auction Response Date**").

(b) Reply Procedures. In connection with any Auction, each Lender holding the relevant Term Loans subject to such Auction may, in its sole discretion, participate in such Auction and may provide the Auction Agent with a notice of participation (the "**Return Bid**") which shall be in a form reasonably acceptable to the Auction Agent, and shall specify (i) a discount to par (that must be expressed as a price at which it is willing to sell all or any portion of such Term Loans) (the "**Reply Price**"), which (when expressed as a percentage of the par principal amount of such Term Loans) must be within the Discount Range and (ii) a principal amount of such Term Loans, which must be in whole increments of $1,000,000 (or, in any case, such lesser amount of such Term Loans of such Lender then outstanding or which is otherwise reasonably acceptable to the Auction Agent) (the "**Reply Amount**"). Lenders may only submit one Return Bid per Auction, but each Return Bid may contain up to three bids only one of which may result in a Qualifying Bid. In addition to the Return Bid, the participating Lender must execute and deliver, to be held in escrow by the Auction Agent, an Assignment and Assumption with the dollar amount of the Term Loans to be assigned to be left in blank, which amount shall be completed by the Auction Agent in accordance with the final determination of such Lender's Qualifying Bid pursuant to clause (c) below. Any Lender whose Return Bid is not received by the Auction Agent by the Auction Response Date shall be deemed to have declined to participate in the relevant Auction with respect to all of its Term Loans.

(c) Acceptance Procedures. Based on the Reply Prices and Reply Amounts received by the Auction Agent prior to the applicable Auction Response Date, the Auction Agent, in consultation with the Auction Party, will determine the applicable price (the "**Applicable Price**") for the Auction, which will be the lowest Reply Price for which the Auction Party can complete the Auction at the Auction Amount; provided that, in the event that the Reply Amounts are insufficient to allow the Auction Party to complete a purchase of the entire Auction Amount (any such Auction, a "**Failed Auction**"), the Auction Party shall either, at its election, (i) withdraw the Auction or (ii) complete the Auction at an Applicable Price equal to the highest Reply Price. The Auction Party shall purchase the relevant Term Loans (or the respective portions thereof) from each Lender with a Reply Price that is equal to or lower than the Applicable Price ("**Qualifying Bids**") at the Applicable Price; provided that if the aggregate proceeds required to purchase all Term Loans subject to Qualifying Bids would exceed the Auction Amount for such Auction, the Auction Party shall purchase such Term Loans at the Applicable Price ratably based on the principal amounts of such Qualifying Bids (subject to rounding requirements specified by the Auction Agent in its discretion). If a Lender has submitted a Return Bid containing multiple bids at different Reply Prices, only the bid with the lowest Reply Price that is equal to or less than the Applicable Price will be deemed to be the Qualifying Bid of such Lender (e.g., a Reply Price of $100 with a discount to par of 1%, when compared to an Applicable Price of $100 with a 2%

discount to par, will not be deemed to be a Qualifying Bid, while, however, a Reply Price of $100 with a discount to par of 2.50% would be deemed to be a Qualifying Bid). The Auction Agent shall promptly, and in any case within five Business Days following the Auction Response Date with respect to an Auction, notify (I) Parent of the respective Lenders' responses to such solicitation, the effective date of the purchase of Term Loans pursuant to such Auction, the Applicable Price, and the aggregate principal amount of the Term Loans and the tranches thereof to be purchased pursuant to such Auction, (II) each participating Lender of the effective date of the purchase of Term Loans pursuant to such Auction, the Applicable Price, and the aggregate principal amount and the tranches of Term Loans to be purchased at the Applicable Price on such date, (III) each participating Lender of the aggregate principal amount and the tranches of the Term Loans of such Lender to be purchased at the Applicable Price on such date and (IV) if applicable, each participating Lender of any rounding and/or proration pursuant to the second preceding sentence. Each determination by the Auction Agent of the amounts stated in the foregoing notices to Parent and Lenders shall be conclusive and binding for all purposes absent manifest error.

(d) Additional Procedures.

(i) Once initiated by an Auction Notice, the Auction Party may not withdraw an Auction other than a Failed Auction. Furthermore, in connection with any Auction, upon submission by a Lender of a Qualifying Bid, such Lender (each, a "**Qualifying Lender**") will be obligated to sell the entirety or its allocable portion of the Reply Amount, as the case may be, at the Applicable Price.

(ii) To the extent not expressly provided for herein, each purchase of Term Loans pursuant to an Auction shall be consummated pursuant to procedures consistent with the provisions in this definition, established by the Auction Agent acting in its reasonable discretion and as reasonably agreed by Parent.

(iii) In connection with any Auction, Parent and the Lenders acknowledge and agree that the Auction Agent may require as a condition to any Auction, the payment of customary fees and expenses by the Auction Party in connection therewith as agreed between the Auction Party and the Auction Agent.

(iv) Notwithstanding anything in any Loan Document to the contrary, for purposes of this definition, each notice or other communication required to be delivered or otherwise provided to the Auction Agent (or its delegate) shall be deemed to have been given upon the Auction Agent's (or its delegate's) actual receipt during normal business hours of such notice or communication; provided that any notice or communication actually received outside of normal business hours shall be deemed to have been given as of the opening of business on the next Business Day.

(v) The Borrower and the Lenders acknowledge and agree that the Auction Agent may perform any and all of its duties under this definition by itself or through any Affiliate of the Auction Agent and expressly consent to any such delegation of duties by the Auction Agent to such Affiliate and the performance of such delegated duties by such Affiliate. The exculpatory provisions pursuant to this Agreement shall apply to each Affiliate of the Auction Agent and its respective activities in connection with any purchase of Term Loans provided for in this definition as well as activities of the Auction Agent.

"**ECF Prepayment Amount**" has the meaning assigned to such term in Section 2.11(b)(i).

"**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.

"**Effective Yield**" means, as to any Indebtedness, the effective yield applicable thereto calculated by the Administrative Agent in consultation with Parent in a manner consistent with generally accepted financial practices, taking into account (a) interest rate margins, (b) interest rate floors (subject to the proviso set forth below), (c) any amendment to the relevant interest rate margins and interest rate floors prior to the applicable date of determination and (d) original issue discount and upfront or similar fees (based on an assumed four-year average life to maturity or lesser remaining average life to maturity), but excluding (i) any advisory, arrangement, commitment, consent, structuring, success, underwriting, ticking, unused line fees, amendment fees and/or any similar fees payable in connection therewith (regardless of whether any such fees are paid to or shared in whole or in part with any lender) and (ii) any other fee that is not directly paid generally to all relevant lenders ratably (or, if only one lender (or affiliated group of lenders) is providing such Indebtedness, are fees of the type not customarily shared with lenders generally); provided, that with respect to any Indebtedness that includes a "LIBOR floor" or "Base Rate floor", that (A) to the extent that the Published LIBO Rate (for an Interest Period of three months) or Alternate Base Rate (in each case without giving effect to any floor specified in the definitions thereof on the date on which the Effective Yield is being calculated) is less than such floor, the amount of such difference will be deemed added to the interest rate margin applicable to such Indebtedness for purposes of calculating the Effective Yield and (B) to the extent that the Published LIBO Rate (for an Interest Period of three months) or Alternate Base Rate (in each case, without giving effect to any floor specified in the definitions thereof) is greater than such floor, the floor will be disregarded in calculating the Effective Yield.

"**Eligible Assignee**" means (a) any Lender, (b) any commercial bank, insurance company, finance company, financial institution, any fund that invests in loans or any other "accredited investor" (as defined in Regulation D of the Securities Act), (c) any Affiliate of any Lender, (d) any Approved Fund of any Lender or (e) to the extent permitted under Section 9.05(g), any Affiliated Lender or any Debt Fund Affiliate; provided that in any event, "Eligible Assignee" shall not include (i) any natural person, (ii) any Disqualified Institution or Defaulting Lender or (iii) except as permitted under Section 9.05(g), Parent or any of its Affiliates.

"**Employee Benefit Plan**" means any "employee pension benefit plan", as defined in Section 3(2) of ERISA (other than a Multiemployer Plan) which is subject to Title IV of ERISA and is sponsored, maintained or contributed to by, or required to be contributed to by, Parent, any of its Restricted Subsidiaries or any ERISA Affiliate for the benefit of current or former employees, or any beneficiary thereof, of Parent, any of its Restricted Subsidiaries or any ERISA Affiliate.

"**Environmental Claim**" means any written investigation, notice, notice of violation, claim, action, suit, proceeding, demand, abatement order or other order, decree or directive (conditional or otherwise), by any Governmental Authority or any other Person, arising (a) pursuant to or in connection with any actual or alleged violation of any Environmental Law; or (b) in connection with any actual or alleged Hazardous Materials Activity.

"**Environmental Laws**" means any and all applicable foreign or domestic, federal, state or local (or any subdivision thereof), statutes, laws, codes, treaties, standards, guidelines, writs, injunctions, ordinances, orders, decrees, rules, regulations, judgments, Governmental Authorizations, or any other applicable binding requirements of Governmental Authorities or the common law relating to (a) pollution or the protection of the environment or natural resources, human health and safety (to the extent relating to the exposure to any Hazardous Material) or other environmental matters; or (b) any Hazardous Materials Activity or any exposure of any Person to any Hazardous Material.

"**Environmental Liability**" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), directly or indirectly resulting from or based upon (a) any actual or alleged violation of any Environmental Law, (b) any Hazardous Materials Activity, (c) exposure to any Hazardous Material, or (d) any contract, agreement or other legally binding 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, and the rules and regulations promulgated thereunder.

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

"**ERISA Event**" means (a) a "reportable event" within the meaning of Section 4043 of ERISA and the regulations issued thereunder with respect to any Employee Benefit Plan (excluding those for which the 30-day notice period has been waived); (b) the failure to meet the minimum funding standard of Section 412 of the Code or Section 302 of ERISA with respect to any Employee Benefit Plan, whether or not waived, or the filing of any request for or receipt of a minimum funding waiver under Section 412 of the Code with respect to any Employee Benefit Plan; (c) a determination that any Employee Benefit Plan is, or is expected to be, in "at-risk" status (as defined in Section 310 of the Code or Section 303 of ERISA); (d) the provision by the administrator of any Employee Benefit Plan pursuant to Section 4041(a)(2) or Section 302 of ERISA of a notice of intent to terminate such plan in a distress termination described in Section 4041(c) of ERISA; (e) the incurrence by Borrower, Parent, its Restricted Subsidiaries or any ERISA Affiliate of any liability under Title IV of ERISA with respect to the complete or partial withdrawal from any Employee Benefit Plan with two or more contributing sponsors or the termination of any such Employee Benefit Plan resulting in liability to Borrower, Parent, its Restricted Subsidiaries or any ERISA Affiliate pursuant to Section 4063 or 4064 of ERISA; (f) the receipt by Borrower, Parent, its Restricted Subsidiaries or any ERISA Affiliate of any notice from the PBGC or a plan administrator of proceedings to terminate any Employee Benefit Plan; (g) the incurrence or the imposition of liability on Borrower, Parent, its Restricted Subsidiaries or any ERISA Affiliate pursuant to Section 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA; (h) the receipt by Borrower, Parent, its Restricted Subsidiaries or any ERISA Affiliate of any notice concerning imposition of liability with respect to a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) on Borrower, Parent, its Restricted Subsidiaries or any ERISA Affiliate from any Multiemployer Plan if there is any liability therefor under Title IV of ERISA, or the receipt by Borrower, Parent, its

Restricted Subsidiaries or any ERISA Affiliate of notice from any Multiemployer Plan that it is in insolvency pursuant to Section 4245 of ERISA, is in endangered or critical status within the meaning of Section 432 of the Code or Section 305 of ERISA or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; or (i) the incurrence of liability or the imposition of a Lien pursuant to Section 430(k) of the Code or pursuant to Section 303(k) of ERISA with respect to any Employee Benefit Plan.

"**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**" has the meaning assigned to such term in Article 7.

"**Excess Cash Flow**" means, for any Excess Cash Flow Period, an amount (if positive) equal to:

(a) the sum, without duplication, of the amounts for such period of the following:

(i) Consolidated Adjusted EBITDA for such period without giving effect to clause (b)(x) of the definition thereof, *plus*

(ii) the Consolidated Working Capital Adjustment for such period, *plus*

(iii) cash gains of the type described in clauses (b), (c), (d), (e) and (f) of the definition of "Consolidated Net Income", to the extent not otherwise included in calculating Consolidated Adjusted EBITDA (except to the extent such gains consist of proceeds utilized in calculating Net Proceeds falling under paragraph (a) of the definition thereof or Net Insurance/Condemnation Proceeds subject to Section 2.11(b)(ii)), *plus*

(iv) to the extent not otherwise included in the calculation of Consolidated Adjusted EBITDA for such period, cash payments received by Parent or any of its Restricted Subsidiaries with respect to amounts deducted from Excess Cash Flow in a prior period pursuant to clause (b)(vii) below, *minus*

(b) the sum, without duplication, of the amounts for such period (or, in the case of clauses (b)(i), (b)(iii), (b)(iv), (b)(x), (b)(xi) and (b)(xiii), at the option of Parent, amounts after such period to the extent paid prior to the date of the applicable Excess Cash Flow payment) of the following:

(i) the aggregate principal amount of (i) all optional prepayments of Indebtedness (other than any (A) optional prepayment of Indebtedness that is deducted in calculating the amount of any Excess Cash Flow payment in accordance with Section 2.11(b)(i) or (B) revolving Indebtedness except to the extent any related commitment is permanently reduced in connection with such repayment), (ii) all mandatory prepayments and scheduled repayments of Indebtedness and (iii) the aggregate amount of any premiums, make-whole or penalty payments actually paid in Cash by Parent and/or any Restricted Subsidiary that are or were required to be made in connection with any prepayment of Indebtedness, in each case, except to the extent financed with long-term funded Indebtedness (other than revolving Indebtedness), *plus*

(ii) [reserved], *plus*

(iii) Consolidated Interest Expense to the extent paid or payable in Cash (including (A) fees and expenses paid to the Administrative Agent in connection with its services hereunder, (B) other bank, administrative agency (or trustee) and financing fees (including rating agency fees), (C) costs of surety bonds in connection with financing activities (whether amortized or immediately expensed) and (D) commissions, discounts and other fees and charges owed with respect to revolving commitments, letters of credit, bank guarantees, bankers' acceptances or any similar facilities or financing and Hedge Agreements), *plus*

(iv) Taxes (including Taxes paid or payable pursuant to any Tax sharing arrangement or arrangements and/or any Tax distribution) paid or estimated in good faith to be payable by Parent and/or any Restricted Subsidiary, and provisions for Taxes, to the extent payable by Parent and/or any Restricted Subsidiary in Cash with respect to such Excess Cash Flow Period, *plus*

(v) [reserved], *plus*

(vi) any foreign translation losses paid or payable in Cash (including any currency re-measurement of Indebtedness, any net gain or loss resulting from Hedge Agreements for currency exchange risk resulting from any intercompany Indebtedness, any foreign currency translation or transaction or any other currency-related risk) to the extent included in calculating Consolidated Adjusted EBITDA, *plus*

(vii) amounts added back under (i) clauses (b)(xiv) or (b)(xix) of the definition of "Consolidated Adjusted EBITDA" or (ii) the last paragraph of the definition of Consolidated Net Income with respect to business interruption insurance, in each case to the extent such amounts have not yet been received by Parent or its Restricted Subsidiaries, *plus*

(viii) an amount equal to (A) all Charges either (1) excluded in calculating Consolidated Net Income or (2) added back in calculating Consolidated Adjusted EBITDA, in each case, to the extent paid or payable in cash and (B) all non-Cash credits included in calculating Consolidated Net Income or Consolidated Adjusted EBITDA, *plus*

(ix) [reserved], *plus*

(x) to the extent not expensed (or exceeding the amount expensed) during such period or not deducted (or exceeding the amount deducted) in calculating Consolidated Net Income, the aggregate amount of Charges paid or payable in Cash by Parent and its Restricted Subsidiaries during such period, other than to the extent financed with long-term funded Indebtedness (other than revolving Indebtedness), *plus*

(xi) Cash payments (other than in respect of Taxes, which are governed by clause (iv) above) made during such period for any liability the accrual of which in a prior period did not reduce Consolidated Adjusted EBITDA and therefore increased Excess Cash Flow in such prior period (provided there was no other deduction to Consolidated Adjusted EBITDA or Excess Cash Flow related to such payment), except to the extent financed with long term funded Indebtedness (other than revolving Indebtedness), *plus*

(xii) [reserved], *plus*

(xiii) amounts paid in Cash (except to the extent financed with long term funded Indebtedness (other than revolving Indebtedness)) during such period on account of (A) items that were accounted for as non-Cash reductions of Consolidated Net Income or Consolidated Adjusted EBITDA in a prior period and (B) reserves or amounts established in purchase accounting to the extent such reserves or amounts are added back to, or not deducted from, Consolidated Net Income, *plus*

(xiv) the amount of any payment of Cash to be amortized or expensed over a future period and recorded as a long-term asset, *plus*

(xv) [reserved], *plus*

(xvi) [reserved], *plus*

(xvii) the aggregate amount of any extraordinary, unusual, special or non-recurring cash Charges paid or payable during such period (whether or not incurred in such Excess Cash Flow Period) that were excluded in calculating Consolidated Adjusted EBITDA (including any component definition used therein) for such period.

"**Excess Cash Flow Period**" means each full Fiscal Year of Parent ending after the Closing Date (commencing, for the avoidance of doubt, with the Fiscal Year ending on December 31, 2021).

"**Exchange Act**" means the Securities Exchange Act of 1934 and the rules and regulations of the SEC promulgated thereunder.

"**Excluded Assets**" means each of the following:

(a) any asset (including any General Intangibles and any contract, instrument, lease, license, permit, agreement or other document, or any property or other right subject thereto (including pursuant to a purchase money security interest, capital lease or similar arrangement or, in the case of after-acquired property, pre-existing secured Indebtedness not incurred in anticipation of the acquisition by the Loan Party of such property)) the grant or perfection of a security interest in which would (i) constitute a violation of a restriction in favor of a third party (other than a Loan Party or Restricted Subsidiary) or result in the abandonment, invalidation or unenforceability of any right or assets of the relevant Loan Party or Restricted Subsidiary, (ii) result in a breach, termination (or a right of termination) or default under any such contract, instrument, lease, license, permit, agreement or other document (including pursuant to any "change of control" or similar provision) unless and until any relevant consent has been obtained (there being no requirement pursuant to any Loan Document to obtain any consent in respect thereof from any Person that is not also a Loan Party or Restricted Subsidiary) or (iii) permit any Person (other than any Loan Party or Restricted Subsidiary) to amend any rights, benefits and/or obligations of the relevant Loan Party or Restricted Subsidiary in respect of such relevant asset or permit such Person to require any Loan Party or any Subsidiary of Parent to take any action materially adverse to the interests of such subsidiary or Loan Party; provided, however, that any such asset will only constitute an Excluded Asset under clause (i) or clause (ii) above to the extent such violation or breach, termination (or right of termination) or default would not be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable Requirement of Law; provided, further, that any such asset shall cease to constitute an Excluded

Asset at such time as the condition causing such violation, breach, termination (or right of termination) or default or right to amend or require other actions no longer exists and to the extent severable, the security interest granted under the applicable Collateral Document shall attach immediately to any portion of such General Intangible or other right that does not result in any of the consequences specified in clauses (i) through (iii) above,

(b) the Capital Stock of any (i) Captive Insurance Subsidiary, (ii) Unrestricted Subsidiary, (iii) broker-dealer subsidiary, (iv) not-for-profit subsidiary and/or (v) special purpose entity used for any securitization facility or any Receivables Subsidiary,

(c) any (i) foreign IP Rights and/or (ii) intent-to-use (or similar) Trademark application prior to the filing of a "Statement of Use", "Amendment to Allege Use" or similar filing with respect thereto, to the extent, if any, that, and solely during the period, in which, if any, the grant of a security interest therein may impair the validity or enforceability, or result in the voiding of, such intent-to-use Trademark application or any registration issuing therefrom under applicable law,

(d) any asset or property (including Capital Stock), the grant or perfection of a security interest in which would (A) require any governmental or regulatory consent, approval, license or authorization that has not been obtained (there being no requirement under any Loan Document to obtain the consent, approval, license or authorization of any Governmental Authority or other Person (other than any Loan Party), including, without limitation, no requirement to comply with the Federal Assignment of Claims Act or any similar statute), (B) be prohibited or restricted by applicable Requirements of Law (including enforceable anti-assignment provisions of applicable Requirements of Law), except, in the case of the foregoing clause (A) and this clause (B), to the extent such prohibition would be rendered ineffective under applicable anti-assignment provisions of the UCC of any relevant jurisdiction notwithstanding such prohibition, (C) trigger termination of any contract pursuant to a "change of control" or similar provision or (D) result in adverse tax or regulatory consequences to any Loan Party or any of its subsidiaries or Parent Companies as determined by Parent in good faith,

(e) (i) except to the extent a security interest therein can be perfected by the filing of an "all-assets" UCC-1 financing statement, any leasehold interest, (ii) any real property or real property interest that is not a Material Real Estate Asset and (iii) any owned real property with material improvements located in a special flood hazard area (as such term is defined under the Flood Insurance Laws),

(f) any Capital Stock of any Person that is not a Wholly-Owned Restricted Subsidiary or that is an Immaterial Subsidiary,

(g) any Margin Stock,

(h) the Capital Stock of any Foreign Subsidiary or Disregarded Domestic Subsidiary, except any such Person that is designated as a Subsidiary Guarantor in accordance with the definition of such term, and other than 65% of the issued and outstanding voting Capital Stock of such Foreign Subsidiary or Disregarded Domestic Subsidiary, as applicable,

(i) (i) any Letter-of-Credit-Right (other than to the extent a security interest in such Letter-of-Credit-Right can be perfected solely by filing an "all-assets" UCC financing statement) and (ii) any Commercial Tort Claim involving a claim of less than $25,000,000 (as determined in good faith by Parent),

(j) [reserved],

(k) [reserved],

(l) any motor vehicle, airplane or other asset subject to a certificate of title (other than to the extent a security interest therein can be perfected solely by filing an "all assets" UCC financing statement and without the requirement to list any VIN, serial or similar number),

(m) any governmental or regulatory license or state or local franchise, charter, consent, permit or authorization to the extent the granting of a security interest therein is prohibited or restricted thereby or by applicable Requirements of Law; provided, however, that any such asset will only constitute an Excluded Asset under this clause (m) to the extent such prohibition or restriction would not be rendered ineffective pursuant to applicable anti-assignment provisions of the UCC of any relevant jurisdiction,

(n) Receivables Facility Assets (or interests therein) sold or otherwise transferred to a Receivables Subsidiary or otherwise pledged, transferred or sold in connection with a Receivables Facility, factoring transaction or any similar arrangement permitted hereunder, and

(o) any asset with respect to which the Administrative Agent and the relevant Loan Party have determined in good faith that the cost, burden, difficulty or consequence (including any effect on the ability of the relevant Loan Party to conduct its operations and business in the ordinary course of business) of obtaining or perfecting a security interest therein outweighs the benefit of a security interest to the relevant Secured Parties afforded thereby.

"**Excluded Subsidiary**" means:

(a) any Restricted Subsidiary that is not a Wholly-Owned Subsidiary,

(b) any Immaterial Subsidiary,

(c) any Restricted Subsidiary that is prohibited or restricted by law, rule or regulation or contractual obligation (in the case of any such contractual obligation, where such contractual obligation exists on the Closing Date or on the date such entity becomes a Restricted Subsidiary, as long as such contractual obligation was not entered into in contemplation of such person becoming a Restricted Subsidiary) from providing a Loan Guaranty or that would require a governmental (including regulatory) or third party consent, approval, license or authorization to provide a Loan Guaranty (including under any financial assistance, corporate benefit, thin capitalization, capital maintenance, liquidity maintenance or similar legal principles) for so long as the applicable prohibition or restriction is in effect and unless and until such consent has been received, it being understood that Parent and its subsidiaries shall have no obligation to obtain any such consent, approval, license or authorization,

(d) any not-for-profit subsidiary,

(e) any Captive Insurance Subsidiary or subsidiary that is a broker-dealer,

(f) any special purpose entity (including a special purpose entity used for any permitted securitization or receivables facility or financing) and any Receivables Subsidiary,

(g) any Foreign Subsidiary,

(h) (i) any Disregarded Domestic Subsidiary or (ii) any Domestic Subsidiary that is a direct or indirect subsidiary of any Foreign Subsidiary or any Disregarded Domestic Subsidiary,

(i) any Unrestricted Subsidiary,

(j) any subsidiary acquired pursuant to a Permitted Acquisition or other Investment permitted by this Agreement that has assumed Indebtedness not incurred in contemplation of such Permitted Acquisition or other Investment and any Restricted Subsidiary thereof that guarantees such Indebtedness, in each case to the extent the terms of such Indebtedness prohibit such subsidiary from becoming a Guarantor,

(k) any Restricted Subsidiary if the provision of a Loan Guaranty could reasonably be expected to result in adverse tax or regulatory consequences to any Loan Party or any of its subsidiaries or Parent Companies as determined by Parent in good faith, and

(l) any other Restricted Subsidiary with respect to which, in the good faith judgment of the Administrative Agent and Parent, the burden or cost of providing a Loan Guaranty outweighs the benefits afforded thereby.

"**Excluded Swap Obligation**" means, with respect to any Loan Party, any Swap Obligation if, and to the extent that, all or a portion of the Loan Guaranty of such Loan Party of, or the grant by such Loan Party of a security interest to secure, such Swap Obligation (or any Loan Guaranty 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 Loan Party's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder (determined after giving effect to Section 3.20 of the Loan Guaranty and any other "keepwell", support or other agreement for the benefit of such Loan Party) at the time the Loan Guaranty of such Loan Party or the grant of such security interest becomes effective with respect to such Swap Obligation. If any 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 Loan Guaranty or security interest is or becomes illegal.

"**Excluded Taxes**" means, with respect to the Administrative Agent, any Lender, any Issuing Bank or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder, (a) Taxes imposed on (or measured by) its net income or franchise Taxes (i) imposed by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or (ii) that are Other Connection Taxes, (b) any branch profits taxes imposed by the U.S. or any similar tax imposed by any other jurisdiction described in clause (a), (c) in the case of a Lender, any U.S. withholding tax that is imposed on amounts payable to such Lender at the time such Lender becomes a party to this Agreement (or designates a new lending office), except (i) pursuant to an assignment or designation of a new lending office under Section 2.19 and (ii) to the extent that such Lender (or the assignor, if any) was entitled, immediately before the designation of a new lending office (or assignment), to receive additional amounts from any Loan Party with respect to such withholding tax pursuant to Section 2.17, (d) any tax imposed as a result of a failure by the Administrative Agent, any Lender or any Issuing Bank to comply with Section 2.17(f) and (e) any withholding tax under FATCA.

"**Existing Letter of Credit**" means each letter of credit, bank guarantee, bankers' acceptance and similar document or instrument set forth on Schedule 1.01(b).

"**Expected Cost Savings**" has the meaning assigned to such term in the definition of "Consolidated Adjusted EBITDA".

"**Extended Revolving Credit Commitment**" has the meaning assigned to such term in Section 2.23(a)(i).

"**Extended Revolving Loans**" has the meaning assigned to such term in Section 2.23(a).

"**Extended Term Loans**" has the meaning assigned to such term in Section 2.23(a)(ii).

"**Extension**" has the meaning assigned to such term in Section 2.23(a)(ii).

"**Extension Amendment**" means an amendment to this Agreement that is reasonably satisfactory to the Administrative Agent (to the extent required by Section 2.23) and the Borrower, executed by each of (a) the Borrower, (b) the Administrative Agent and (c) each Lender that has accepted the applicable Extension Offer pursuant hereto and in accordance with Section 2.23.

"**Extension Offer**" has the meaning assigned to such term in Section 2.23(a).

"**Facility**" means any real property (including all buildings, fixtures or other improvements located thereon) now, hereafter or, except with respect to Articles 5 and 6, formerly owned, leased, operated or used by Parent or any of its Restricted Subsidiaries or any of their respective predecessors or Affiliates.

"**Failed Auction**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**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 agreement entered into pursuant to Section 1471(b)(1) of the Code, and any law, regulation, rules, practice or other published administrative guidance adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such section of the Code.

"**Federal Assignment of Claims Act**" means the Federal Assignment of Claims Act (41 U.S.C. § 15).

"**Federal Funds Effective Rate**" means, for any day, the rate calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depositary institutions (as determined in such manner as the Federal Reserve Bank of New York sets forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if such rate as determined above is at any time negative, the Federal Funds Effective Rate at such time shall instead be zero.

"**Fee Letter**" means that certain Fee Letter, dated [ ].

"**Finance Lease**" means, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is or should be accounted for as a finance lease on the balance sheet of that Person; provided, that for the avoidance of doubt, the amount of obligations attributable to any Finance Lease shall be the amount thereof accounted for as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP; provided,

further, that the amount of obligations attributable to any Finance Lease shall exclude any capitalized operating lease liabilities resulting from the adoption of ASC 842, Leases.

"**Financial Covenant**" means the covenant in Section 6.15(a).

"**First Lien Leverage Ratio**" means the ratio, as of any date of determination, of (a) Consolidated First Lien Debt as of such date to (b) Consolidated Adjusted EBITDA for the Test Period then most recently ended or the Test Period otherwise specified where the term "First Lien Leverage Ratio" is used in this Agreement, in each case for Parent and its Restricted Subsidiaries on a consolidated basis.

"**First Priority**" means, with respect to any Lien purported to be created in any Collateral pursuant to any Collateral Document, that, subject to any Acceptable Intercreditor Agreement, such Lien is senior in priority to any other Lien to which such Collateral is subject, other than any Permitted Lien.

"**Fiscal Quarter**" means a fiscal quarter of any Fiscal Year.

"**Fiscal Year**" means the fiscal year of Parent ending December 31 of each calendar year, as such fiscal year end may be adjusted in accordance with the terms of this Agreement.

"**Fixed Amounts**" has the meaning assigned to such term in Section 1.04(g).

"**Flood Hazard Property**" means any Material Real Estate Asset subject to a Mortgage if any building included in such Material Real Estate Asset is located in an area designated by the Federal Emergency Management Agency (or any successor agency thereto) as having special flood hazards.

"**Flood Insurance Laws**" means, collectively, (i) the National Flood Insurance Act of 1968, (ii) the Flood Disaster Protection Act of 1973, (iii) the National Flood Insurance Reform Act of 1994, (iv) the Flood Insurance Reform Act of 2004 and (v) the Biggert–Waters Flood Insurance Reform Act of 2012, each as now or hereafter in effect or any successor statute thereto, and in each case, together with all statutory and regulatory provisions consolidating, amending, replacing, supplementing, implementing or interpreting any of the foregoing, as amended or modified from time to time.

"**Foreign Lender**" means any Lender that is not a "United States person" within the meaning of Section 7701(a)(30) of the Code.

"**Foreign Subsidiary**" means any Restricted Subsidiary that is not a Domestic Subsidiary.

"**Form S-1**" means the Registration Statement on Form S-1 filed by Parent with the SEC on [ ], in respect of the Common Stock, as amended from time to time prior to the Closing Date.

"**Funding Account**" has the meaning assigned to such term in Section 2.03(f).

"**GAAP**" means generally accepted accounting principles in the U.S. in effect and applicable to the accounting period in respect of which reference to GAAP is made.

"**General Intangibles**" has the meaning assigned to such term in Article 9 of the UCC.

"**Governmental Authority**" means any federal, state, municipal, national or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity or officer exercising executive, legislative, judicial, regulatory or

administrative functions of or pertaining to any government or any court, in each case whether associated with the U.S., a foreign government or any political subdivision of either thereof.

"**Governmental Authorization**" means any permit, license, authorization, plan, directive, consent order or consent decree of or from any Governmental Authority.

"**Graeme Hart**" means (a) Mr. Graeme Richard Hart (or his estate, heirs, executor, administrator or other personal representative, or any of his immediate family members or any trust, fund or other entity which is controlled by his estate, heirs or any of his immediate family members), and any of his or their Affiliates (each a "**Hart Party**") and (b) any Person that forms a group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) with any Hart Party; provided that in the case of clause (b), (i) one or more Hart Parties own a majority of the voting power of the Capital Stock of Parent, (ii) no other Person has beneficial ownership of any of the Capital Stock included in determining whether the threshold set forth in clause (i) has been satisfied and (iii) one or more Hart Parties control a majority of the Board of Directors of Parent.

"**Granting Lender**" has the meaning assigned to such term in Section 9.05(e).

"**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 monetary obligation of any other Person (the "**Primary Obligor**") in any manner and including any obligation of the Guarantor (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other monetary 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 monetary 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 monetary obligation, (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or monetary obligation, (e) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other monetary obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part) or (f) secured by any Lien on any assets of such Guarantor securing any Indebtedness or other monetary obligation of any other Person, whether or not such Indebtedness or monetary other obligation is assumed by such Guarantor (or any right, contingent or otherwise, of any holder of such Indebtedness or other monetary obligation to obtain any such Lien); provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business, or customary and reasonable indemnity obligations in effect on the Closing Date or entered into in connection with any acquisition, Disposition or other transaction permitted under this Agreement (other than such obligations with respect to Indebtedness). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith.

"**Hazardous Materials**" means any petroleum or petroleum products or by-products, asbestos, polychlorinated biphenyls and any other chemical, material, substance or waste, or any constituent thereof, which is prohibited, limited or regulated by any Environmental Law, including any chemical, material, substance or waste defined or listed as "hazardous" or "toxic" in any Environmental Law.

"**Hazardous Materials Activity**" means the use, manufacture, storage, possession, placement, Release, threatened Release, discharge, generation, transportation, processing, treatment, abatement,

removal, investigation, remediation, disposal, disposition or handling of any Hazardous Material, and any corrective action or response action with respect to any of the foregoing.

"**Hedge Agreement**" means any agreement with respect to any Derivative Transaction between any Loan Party or any Restricted Subsidiary and any other Person.

"**Hedging Obligations**" means, with respect to any Person, the obligations of such Person under any Hedge Agreement.

"**IFRS**" means international accounting standards within the meaning of the IAS Regulation 1606/2002, as in effect from time to time (subject to the provisions of Section 1.04), to the extent applicable to the relevant financial statements.

"**Immaterial Subsidiary**" means, as of any date, any Restricted Subsidiary of Parent (a) that does not have assets in excess of 5.0% of Consolidated Total Assets of Parent and its Restricted Subsidiaries and (b) that does not contribute Consolidated Adjusted EBITDA in excess of 5.0% of the Consolidated Adjusted EBITDA of Parent and its Restricted Subsidiaries, in each case, as of the last day of the most recently ended Test Period; provided that, the Consolidated Total Assets and Consolidated Adjusted EBITDA (as so determined) of all Immaterial Subsidiaries shall not exceed 10.0% of Consolidated Total Assets and 10.0% of Consolidated Adjusted EBITDA, in each case, of Parent and its Restricted Subsidiaries as of the last day of the most recently ended Test Period.

"**Immediate Family Member**" means, with respect to any individual, such individual's child, stepchild, grandchild or more remote descendant, parent, stepparent, grandparent, spouse, former spouse, domestic partner, former domestic partner, sibling, mother-in-law, father-in-law, son-in-law and daughter-in-law (including adoptive relationships), any trust, partnership or other bona fide estate-planning vehicle the only beneficiaries of which are any of the foregoing individuals, any of the foregoing individual's estate (or an executor or administrator acting on its behalf), heirs or legatees or any private foundation or fund that is controlled by any of the foregoing individuals or any donor-advised fund of which any such individual is the donor.

"**Incremental Cap**" means, as of any date of determination:

(a) the Shared Incremental Amount as of such date, *plus*

(b) in the case of any Incremental Facility or Incremental Equivalent Debt that effectively extends the Maturity Date with respect to any Class of Loans and/or commitments hereunder, an amount equal to the portion of the relevant Class of Loans or commitments that will be replaced by such Incremental Facility or Incremental Equivalent Debt, *plus*

(c) in the case of any Incremental Facility or Incremental Equivalent Debt that effectively replaces any Revolving Credit Commitment terminated in accordance with Section 2.19 hereof, an amount equal to the relevant terminated Revolving Credit Commitment, *plus*

(d) (i) the amount of any optional prepayment of any Loan (including any Incremental Loan) in accordance with Section 2.11(a) (to the extent, in the case of a Revolving Loan, such prepayment is accompanied by the permanent reduction of the related Revolving Credit Commitment), (ii) the amount of any optional prepayment, redemption, repurchase or retirement of Incremental Equivalent Debt incurred pursuant to the Shared Incremental Amount, (iii) the amount of any optional prepayment, redemption or repurchase of any Replacement Term Loan or Loans under any Replacement Revolving Facility (to the extent accompanied by a

permanent reduction in commitments) or any borrowing or issuance of Replacement Debt previously applied to the permanent prepayment of any Loan hereunder or of any Incremental Equivalent Debt, (iv) [reserved] and (v) the aggregate amount of any Indebtedness referred to in clauses (i) through (iii) repaid or retired resulting from any assignment of such Indebtedness to (and/or assignment and/or purchase of such Indebtedness by) Parent and/or any Restricted Subsidiary; provided that for each of clauses (i) through (v), the relevant prepayment, redemption, repurchase or assignment and/or purchase was not funded with the proceeds of any long-term Indebtedness (other than revolving Indebtedness), *plus*

(e) an unlimited amount so long as, in the case of this clause (e), on a Pro Forma Basis after giving effect to the incurrence of the Incremental Facility or the Incremental Equivalent Debt, as applicable, and the application of the proceeds thereof (other than any Cash funded to the consolidated balance sheet of Parent or any of its Restricted Subsidiaries) and to any relevant Subject Transaction (and, in the case of any Incremental Revolving Facility then being established, assuming a full drawing thereunder),

(i) if such Indebtedness is secured by a first priority Lien on any Collateral, the First Lien Leverage Ratio does not exceed 4.25:1.00,

(ii) if such Indebtedness is secured by a Lien on any Collateral other than on a first priority basis, at the election of Parent, either (A) the Secured Leverage Ratio does not exceed the greater of (x) 5.00:1.00 and (y) if such Indebtedness is incurred to finance an acquisition or other Investment permitted hereunder, the Secured Leverage Ratio as of the last day of the most recently ended Test Period or (B) the Interest Coverage Ratio is not less than the lesser of (x) 2.00:1.00 and (y) if such Indebtedness is incurred to finance an acquisition or other Investment permitted hereunder, the Interest Coverage Ratio as of the last day of the most recently ended Test Period, and

(iii) if such Indebtedness is unsecured or is secured solely by assets that do not constitute Collateral, at the election of Parent, either (A) the Total Leverage Ratio does not exceed the greater of (x) 5.00:1.00 and (y) if such Indebtedness is incurred to finance an acquisition or other Investment permitted hereunder, the Total Leverage Ratio as of the last day of the most recently ended Test Period or (B) the Interest Coverage Ratio is not less than the lesser of (x) 2.00:1.00 and (y) if such Indebtedness is incurred to finance an acquisition or other Investment permitted hereunder, the Interest Coverage Ratio as of the last day of the most recently ended Test Period;

provided that:

(1) any Incremental Facility and/or Incremental Equivalent Debt may be incurred under one or more of clauses (a) through (e) of this definition as selected by Parent in its sole discretion (provided that, in the case of clause (e), an Incremental Facility may be incurred only under clause (i) thereof),

(2) if any Incremental Facility or Incremental Equivalent Debt is intended to be incurred under clause (e) of this definition and any other clause of this definition in a single transaction or series of related transactions, (A) the incurrence of the portion of such Incremental Facility or Incremental Equivalent Debt to be incurred or implemented under clause (e) of this definition shall be calculated first without giving effect to any Incremental Facilities or Incremental Equivalent Debt to be incurred under any other clause of this definition, but giving full pro forma effect to the use of proceeds of the entire amount of such Incremental Facility or

Incremental Equivalent Debt and the related transactions and (B) the incurrence of the portion of such Incremental Facility or Incremental Equivalent Debt to be incurred or implemented under the other applicable clauses of this definition shall be calculated thereafter, and

(3) any portion of any Incremental Facility or Incremental Equivalent Debt that is incurred under clauses (a) through (d) of this definition, unless otherwise elected by Parent, shall automatically and without need for action by any Person, be reclassified as having been incurred under clause (e) of this definition if, at any time after the incurrence thereof, when financial statements required pursuant to Section 5.01(a) or (b) are delivered, such portion of such Incremental Facility or Incremental Equivalent Debt would, using the figures reflected in such financial statements, be (or have been) permitted under the First Lien Leverage Ratio, Secured Leverage Ratio, Total Leverage Ratio or Interest Coverage Ratio test, as applicable, set forth in clause (e) of this definition.

"**Incremental Commitment**" means any commitment made by a lender to provide all or any portion of any Incremental Facility or Incremental Loans.

"**Incremental Equivalent Debt**" means any Indebtedness that satisfies the following conditions:

(a) the aggregate outstanding principal amount thereof does not exceed the Incremental Cap as in effect at the time of determination (after giving effect to any reclassification on or prior to such date of determination),

(b) the Weighted Average Life to Maturity of such Indebtedness is no shorter than the remaining Weighted Average Life to Maturity of the Initial Term Loans and the final maturity date of such Indebtedness is no earlier than the Latest Term Loan Maturity Date, in each case as determined on the date of the issuance or incurrence, as applicable, thereof; provided, that the foregoing limitations shall not apply to (i) customary bridge loans with a maturity date of not longer than one year; provided, that either (x) the terms of such bridge loans provide for automatic extension of the maturity date thereof to a date that is not earlier than the Initial Term Loan Maturity Date or (y) any loans, notes, securities or other Indebtedness (other than revolving loans) which are exchanged for or otherwise replace such bridge loans shall be subject to the requirements of this clause (b), (ii) Customary Term A Loans and (iii) Indebtedness having an aggregate principal amount outstanding not exceeding the greater of $655,000,000 and 100% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period,

(c) subject to clause (b), such Indebtedness may otherwise have an amortization schedule as determined by Parent and the lenders providing such Indebtedness,

(d) if such Indebtedness is in the form of broadly syndicated Dollar denominated term loans that are *pari passu* with the Initial Term Loans in right of payment and with respect to security, the MFN Provisions of Section 2.22(a)(v) shall apply to such Indebtedness as if (but only to the extent, including after giving effect to applicable exclusions and sunset provisions) such Indebtedness was an Incremental Term Facility of the type subject to the provisions of Section 2.22(a)(v), *mutatis mutandis*,

(e) if such Indebtedness is secured by assets that constitute Collateral, the holders of such Indebtedness (or a representative therefor) shall be party to an Acceptable Intercreditor Agreement, and

(f) such Indebtedness may provide for the ability to participate (A) on a pro rata basis or non-pro rata basis in any voluntary prepayment of Term Loans made pursuant to Section 2.11(a) and (B) to the extent secured on a *pari passu* basis with the Initial Term Loans, on a pro rata basis (but

not on a greater than pro rata basis other than in the case of a prepayment with proceeds of Indebtedness refinancing such Incremental Equivalent Debt) in any mandatory prepayment of Term Loans required pursuant to Section 2.11(b) or less than a pro rata basis with the then-outstanding Term Facility.

"**Incremental Facilities**" has the meaning assigned to such term in Section 2.22(a).

"**Incremental Facility Amendment**" means an amendment to this Agreement that is reasonably satisfactory to the Administrative Agent (solely for purposes of giving effect to Section 2.22) and Parent executed by each of (a) Parent and the Borrower, (b) the Administrative Agent and (c) each Lender that agrees to provide all or any portion of the Incremental Facility being incurred pursuant thereto and in accordance with Section 2.22.

"**Incremental Loans**" has the meaning assigned to such term in Section 2.22(a).

"**Incremental Revolving Facility**" has the meaning assigned to such term in Section 2.22(a).

"**Incremental Revolving Facility Lender**" means, with respect to any Incremental Revolving Facility, each Revolving Lender providing any portion of such Incremental Revolving Facility.

"**Incremental Revolving Loans**" has the meaning assigned to such term in Section 2.22(a).

"**Incremental Term Facility**" has the meaning assigned to such term in Section 2.22(a).

"**Incremental Term Loans**" has the meaning assigned to such term in Section 2.22(a).

"**Incurrence-Based Amounts**" has the meaning assigned to such term in Section 1.04(g).

"**Indebtedness**" as applied to any Person means, without duplication, (a) all indebtedness of such Person for borrowed money; (b) that portion of obligations with respect to Finance Leases of such Person to the extent recorded as a liability on a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP; (c) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments to the extent the same would appear as a liability on a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP; (d) any obligation of such Person owed for all or any part of the deferred purchase price of property or services (excluding (w) any earn out obligation or purchase price adjustment or other similar obligation until such obligation (A) becomes a liability on the balance sheet of such Person (excluding the footnotes thereto) in accordance with GAAP and (B) has not been paid within 60 days after becoming due and payable following expiration of any dispute resolution mechanics set forth in the applicable agreement governing the applicable transaction, (x) any such obligations incurred under ERISA, (y) accrued expenses and trade accounts payable, and accruals for payroll, in the ordinary course of business (including on an intercompany basis) and (z) liabilities associated with customer prepayments and deposits), which purchase price is (i) due more than six months from the date of incurrence of the obligation in respect thereof or (ii) evidenced by a note or similar written instrument; (e) all Indebtedness of others secured by any Lien on any property or asset owned or held by such Person regardless of whether the Indebtedness secured thereby has been assumed by such Person or is non-recourse to the credit of such Person; (f) the face amount of any letter of credit issued for the account of such Person or as to which such Person is otherwise liable for reimbursement of drawings; (g) the Guarantee by such Person of the Indebtedness of another; (h) all obligations of such Person in respect of any Disqualified Capital Stock; and (i) all net obligations of such Person in respect of any Derivative Transaction, including any Hedge Agreement, whether or not entered into for hedging or speculative purposes; provided that (i) in no event shall obligations under any Derivative Transaction be deemed "Indebtedness" for any calculation of the Total

Leverage Ratio, the First Lien Leverage Ratio, the Secured Leverage Ratio, the Interest Coverage Ratio or any other financial ratio under this Agreement and (ii) the amount of Indebtedness of any Person for purposes of clause (e) shall be deemed to be equal to the lesser of (A) the aggregate unpaid amount of such Indebtedness (or such lower amount of maximum liability as is expressly provided for under the documentation pursuant to which the respective Lien is granted) and (B) the fair market value of the property encumbered thereby as determined by such Person in good faith.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or any joint venture (other than any joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, except to the extent such Person's liability for such Indebtedness is otherwise limited and only to the extent such Indebtedness would otherwise be included in the calculation of Consolidated Total Debt.

Notwithstanding anything herein to the contrary, the term "Indebtedness" shall not include, and shall be calculated without giving effect to, (x) the effects of Accounting Standards Codification Topic 815 and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose hereunder as a result of accounting for any embedded derivatives created by the terms of such Indebtedness (it being understood that any such amounts that would have constituted Indebtedness hereunder but for the application of this proviso shall not be deemed an incurrence of Indebtedness hereunder) and (y) the effects of Statement of Financial Accounting Standards No. 133 and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose hereunder as a result of accounting for any embedded derivative created by the terms of such Indebtedness (it being understood that any such amounts that would have constituted Indebtedness hereunder but for the application of this proviso shall not be deemed to be an incurrence of Indebtedness hereunder).

"**Indemnified Taxes**" means (a) 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.

"**Indemnitee**" has the meaning assigned to such term in Section 9.03(b).

"**Information**" has the meaning assigned to such term in Section 3.11(a).

"**Initial Lenders**" means the Arrangers and the affiliates of the Arrangers who are party to this Agreement as Lenders on the Closing Date.

"**Initial Revolving Credit Commitment**" means, with respect to each Initial Revolving Lender, the commitment of such Lender to make Initial Revolving Loans (and acquire participations in Letters of Credit) hereunder as set forth on the Commitment Schedule, or in the Assignment Agreement pursuant to which such Lender assumed its Initial Revolving Credit Commitment, as applicable, as the same may be (a) reduced from time to time pursuant to Section 2.09 or 2.19, (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.05 or (c) increased pursuant to Section 2.22. The aggregate amount of the Initial Revolving Credit Commitments as of the Closing Date is $250,000,000.

"**Initial Revolving Credit Exposure**" means, with respect to any Lender at any time, the aggregate Outstanding Amount at such time of all Initial Revolving Loans of such Lender, plus the aggregate amount at such time of such Lender's LC Exposure, in each case, attributable to its Initial Revolving Credit Commitment.

"**Initial Revolving Credit Maturity Date**" means the date that is five years after the Closing Date.

"**Initial Revolving Facility**" means the Initial Revolving Credit Commitments and the Initial Revolving Loans and other extensions of credit thereunder.

"**Initial Revolving Lender**" means any Lender with an Initial Revolving Credit Commitment or any Initial Revolving Credit Exposure.

"**Initial Revolving Loan**" means any revolving loan made by the Initial Revolving Lenders to the Borrower or any other Revolving Borrower pursuant to Section 2.01(a)(iii).

"**Initial Term Lender**" means any Lender with an Initial Term Loan Commitment or an outstanding Initial Term Loan.

"**Initial Term Loan Commitment**" means, with respect to each Term Lender, the commitment of such Term Lender to make Initial Term Loans hereunder in an aggregate amount not to exceed the amount set forth opposite such Term Lender's name on the Commitment Schedule, as the same may be (a) reduced from time to time pursuant to Section 2.09 or Section 2.19 and (b) reduced or increased from time to time pursuant to (x) assignments by or to such Term Lender pursuant to Section 9.05 or (y) an Additional Term Loan Commitment. The aggregate amount of the Term Lenders' Initial Term Loan Commitments on the Closing Date is $2,475,000,000.

"**Initial Term Loan Maturity Date**" means the date that is seven years after the Closing Date.

"**Initial Term Loans**" means the term loans made by the Initial Term Lenders to the Borrower pursuant to Section 2.01(a).

"**Intellectual Property Security Agreement**" means any agreement executed on or after the Closing Date confirming or effecting the grant of any Lien on IP Rights owned by any Loan Party to the Administrative Agent, for the benefit of the Secured Parties, in accordance with this Agreement, including any of the following: (a) a Trademark Security Agreement substantially in the form of Exhibit H-1 hereto, (b) a Patent Security Agreement substantially in the form of Exhibit H-2 hereto or (c) a Copyright Security Agreement substantially in the form of Exhibit H-3 hereto.

"**Interest Coverage Ratio**" means, as of any date of determination, the ratio for the most recently ended Test Period of (a) Consolidated Adjusted EBITDA for such Test Period to (b) Ratio Interest Expense for such Test Period; provided that, for purposes of calculating the Interest Coverage Ratio for any period ending prior to the first anniversary of the Closing Date, Ratio Interest Expense shall be an amount equal to actual Ratio Interest Expense from the Closing Date through the date of determination multiplied by a fraction the numerator of which is 365 and the denominator of which is the number of days from the Closing Date through the date of determination.

"**Interest Election Request**" means a request by the Borrower in the form of Exhibit D hereto or another form reasonably acceptable to the Administrative Agent to convert or continue a Borrowing in accordance with Section 2.08.

"**Interest Payment Date**" means (a) with respect to any ABR Loan, the last Business Day of each March, June, September and December (commencing with the last Business Day of March 2020) or the maturity date applicable to such Loan, (b) with respect to any LIBO Rate Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a LIBO Rate

Borrowing with an Interest Period of more than three months' duration, each day that would have been an Interest Payment Date had successive Interest Periods of three months' duration been applicable to such Borrowing and (c) with respect to the Daylight Term Loans, the Daylight Term Loan Maturity Date.

"**Interest Period**" means with respect to any LIBO Rate Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, two, three or six months (or, to the extent approved by all relevant affected Lenders, twelve months or a shorter period) thereafter, as the Borrower may elect; provided that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"**Interpolated Rate**" means, in relation to the Published LIBO Rate for any Borrowing, the rate which results from interpolating on a linear basis between: (a) the rate appearing on the Reuters screen (or another commercially available source as designated by the Administrative Agent from time to time) for the Published LIBO Rate for the longest period (for which that rate is available) which is less than the Interest Period for such Borrowing and (b) the rate appearing on such screen or other source, as the case may be, for the shortest period (for which that rate is available) which exceeds the Interest Period for such Borrowing, each as of approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period.

"**Investment**" means (a) any purchase or other acquisition by Parent or any of its Restricted Subsidiaries of any of the Securities of any other Person (other than any Restricted Subsidiary), (b) the acquisition by purchase or otherwise (other than any purchase or other acquisition of inventory, materials, supplies and/or equipment in the ordinary course of business) of all or a substantial portion of the business, property or fixed assets of any other Person or any division or line of business or other business unit of any other Person (in each case, other than a Restricted Subsidiary) and (c) any loan, advance or capital contribution by Parent or any of its Restricted Subsidiaries to any other Person (other than a Restricted Subsidiary). Subject to Section 5.10, the amount of any Investment shall be the original cost of such Investment, *plus* the cost of any addition thereto that otherwise constitutes an Investment, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect thereto, but giving effect to any repayments of principal in the case of any Investment in the form of a loan and any return or reduction of capital or return on Investment in the case of any equity Investment (whether as a distribution, dividend, share buyback, redemption or sale).

"**Investors**" means (a) Graeme Hart, (b) the Management Investors and (c) other investors identified to the Administrative Agent in writing that, directly or indirectly, beneficially own Capital Stock in Parent on the Closing Date.

"**IPO**" means the initial public offering of Common Stock as described in the Form S-1.

"**IP Rights**" has the meaning assigned to such term in Section 3.05(c).

"**IRS**" means the U.S. Internal Revenue Service.

"**ISDA CDS Definitions**" has the meaning assigned to such term in Section 9.02(b).

"**Issuing Bank**" means, as the context may require, (a) Credit Suisse, Goldman Sachs Bank USA, JPMorgan Chase Bank, N.A., HSBC Bank USA, N.A., Barclays Bank plc, Citibank, N.A., Royal Bank of Canada and Truist Bank and (b) any other Revolving Lender that is appointed as an Issuing Bank in accordance with Section 2.05(i). Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by any Affiliate of such Issuing Bank, in which case the term "Issuing Bank" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

"**Junior Indebtedness**" means any Indebtedness for borrowed money (other than Indebtedness among Parent and/or its Restricted Subsidiaries) of Parent or any of its Restricted Subsidiaries that is a Loan Party that is expressly subordinated in right of payment to the Obligations.

"**Latest Maturity Date**" means, as of any date of determination, the latest maturity or expiration date applicable to any Loan or Commitment hereunder at such time, including the latest maturity or expiration date of any Initial Term Loan, Additional Term Loan, Initial Revolving Loan, Additional Revolving Loan, Initial Revolving Credit Commitment or Additional Commitment.

"**Latest Revolving Credit Maturity Date**" means, as of any date of determination, the latest maturity or expiration date applicable to any revolving loan or revolving credit commitment hereunder at such time, including the latest maturity or expiration date of any Revolving Loan or any Revolving Credit Commitment.

"**Latest Term Loan Maturity Date**" means, as of any date of determination, the latest maturity or expiration date applicable to any term loan or term commitment hereunder at such time, including the latest maturity or expiration date of any Additional Term Loan or Additional Term Loan Commitment hereunder at such time.

"**LC Collateral Account**" has the meaning assigned to such term in Section 2.05(j).

"**LC Commitment**" means, with respect to each Issuing Bank, the commitment of such Issuing Bank to issue Letters of Credit hereunder. The initial amount of each Issuing Bank's LC Commitment is set forth on Schedule 1.01(a), or if an Issuing Bank has entered into an Assignment and Assumption or became an Issuing Bank pursuant to an agreement designating it as contemplated by Section 2.05(i), the amount set forth for such Issuing Bank as its LC Commitment in the Register maintained by the Administrative Agent or in such agreement.

"**LC Disbursement**" means any payment or disbursement made by any Issuing Bank pursuant to any Letter of Credit.

"**LC Exposure**" means, at any time, the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time and (b) the aggregate principal amount of all LC Disbursements that have not yet been reimbursed at such time. The LC Exposure of any Revolving Lender at any time shall equal its Applicable Percentage of the aggregate LC Exposure at such time.

"**Lead Borrower**" means Reynolds Consumer Products LLC.

"**Legal Reservations**" means the application of relevant Debtor Relief Laws, general principles of equity and/or principles of good faith and fair dealing.

"**Lender Presentation**" means the Lender Presentation dated [ ], 2020 used in connection with the syndication of the initial Credit Facilities.

"**Lenders**" means the Daylight Term Lender, the Term Lenders, the Revolving Lenders, any lender with an Additional Commitment or an outstanding Additional Loan and any other Person that becomes a party hereto pursuant to an Assignment Agreement, other than any such Person that ceases to be a party hereto pursuant to an Assignment Agreement or as a result of the application of Section 9.05(g).

"**Letter of Credit**" means any Standby Letter of Credit, Commercial Letter of Credit, bank guarantee, bankers' acceptance or similar document or instrument, in each case issued pursuant to this Agreement (and shall be deemed to include all Existing Letters of Credit).

"**Letter-of-Credit Right**" has the meaning assigned to such term in Article 9 of the UCC.

"**Letter of Credit Sublimit**" means $125,000,000, as adjusted from time to time in accordance with Section 2.10(c) or Section 2.22.

"**LIBO Rate**" means, the Published LIBO Rate, as adjusted to reflect applicable reserves prescribed by governmental authorities; provided that in no event shall the LIBO Rate be less than 0.00% per annum for purposes of this Agreement.

"**Lien**" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any Finance Lease having substantially the same economic effect as any of the foregoing), in each case, in the nature of security; provided that in no event shall an Non-Financing Lease Obligation in and of itself be deemed to constitute a Lien.

"**Loan Documents**" means this Agreement, any Promissory Note, each Loan Guaranty, the Collateral Documents, any Acceptable Intercreditor Agreement and any other document or instrument designated by Parent and the Administrative Agent as a "Loan Document", including any Incremental Facility Amendment, Refinancing Amendment or Extension Amendment or any other amendment hereto or thereto. Any reference in this Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto.

"**Loan Guaranty**" means (a) the Guaranty Agreement, substantially in the form of Exhibit I hereto, executed by each Loan Party party thereto and the Administrative Agent for the benefit of the Secured Parties and (b) each other guaranty agreement executed by any Person pursuant to Section 5.12 in substantially the form attached as Exhibit I hereto or another form that is otherwise reasonably satisfactory to the Administrative Agent and Parent.

"**Loan Installment Date**" has the meaning assigned to such term in Section 2.10(a).

"**Loan Parties**" means Parent, the Borrower and each Subsidiary Guarantor.

"**Loans**" means any Daylight Term Loan, Initial Term Loan, any Additional Term Loan, any Initial Revolving Loan and/or any Additional Revolving Loan.

"**Local Facility**" means Indebtedness provided to any Foreign Subsidiary by a Local Facility Provider.

"**Local Facility Provider**" means a lender or other bank or financial institution that has executed and delivered to the Administrative Agent an Additional Secured Party Acknowledgment with respect to the applicable Local Facility.

"**Management Investors**" means the group consisting of the directors, executive officers and other management personnel of Parent on the Closing Date, together with (a) any new directors whose election by the board of directors of Parent or whose nomination for election by the shareholders of Parent, was approved by a vote of a majority of the directors of Parent then still in office who were either directors on the Closing Date or whose election or nomination was previously so approved and (b) executive officers and other management personnel of Parent hired at a time when the directors on the Closing Date together with the directors so approved constituted a majority of the directors of Parent.

"**Margin Stock**" has the meaning assigned to such term in Regulation U.

"**Market Capitalization**" means, at any date of determination pursuant to Section 1.04(e), the amount equal to (a) the total number of then issued and outstanding shares of common Capital Stock of Parent *multiplied* by (b) the arithmetic mean of the closing prices per share of such common Capital Stock on the principal securities exchange on which such common Capital Stock is traded for the 30 consecutive trading days immediately preceding such date.

"**Market Intercreditor Agreement**" means an intercreditor or subordination agreement or arrangement (which may take the form of a "waterfall" or similar provision) the terms of which are either (a) consistent with market terms governing intercreditor arrangements for the sharing or subordination of liens or arrangements relating to the distribution of payments, as applicable, at the time the applicable agreement or arrangement is proposed to be established in light of the type of Indebtedness subject thereto or (b) in the event that a "Market Intercreditor Agreement" has been entered into after the Closing Date meeting the requirement of preceding clause (a), the terms of which are, taken as a whole, not materially less favorable to the Lenders than the terms of such Market Intercreditor Agreement to the extent such agreement governs similar priorities, in each case of clause (a) or (b) as determined by Parent and the Administrative Agent in good faith.

"**Material Acquisition**" means any Permitted Acquisition or other Investment (including any Investment in a Similar Business) the aggregate consideration for which exceeds $250,000,000.

"**Material Adverse Effect**" means a material adverse effect on (i) the business, financial condition or results of operations of Parent and its Restricted Subsidiaries, taken as a whole or (ii) the material rights and remedies (taken as a whole) of the Administrative Agent under the applicable Loan Documents.

"**Material Debt Instrument**" means any physical instrument evidencing any Indebtedness for borrowed money which is required to be pledged and delivered to the Administrative Agent (or its bailee) pursuant to the Security Agreement.

"**Material Investment**" means any Investment, the aggregate consideration for which is greater than $250,000,000.

"**Material Real Estate Asset**" means any "fee-owned" Real Estate Asset acquired by a Loan Party after the Closing Date having a fair market value (as determined by Parent in good faith after taking into account any liabilities with respect thereto that impact such fair market value or, if not then readily determinable, a book value) in excess of $[25,000,000] as of the date of acquisition thereof.

"**Material Subsidiary"** means any Restricted Subsidiary of Parent that is not an Immaterial Subsidiary.

"**Maturity Date**" means (a) with respect to the Initial Revolving Facility, the Initial Revolving Credit Maturity Date, (b) with respect to the Initial Term Loans, the Initial Term Loan Maturity Date, (c) with respect to any Replacement Term Loans or Replacement Revolving Facility, the final maturity date for such Replacement Term Loans or Replacement Revolving Facility, as the case may be, as set forth in the applicable Refinancing Amendment, (d) with respect to any Incremental Facility, the final maturity date set forth in the applicable Incremental Facility Amendment, (e) with respect to any Extended Revolving Credit Commitment or Extended Term Loans, the final maturity date set forth in the applicable Extension Amendment and (f) with respect to the Daylight Term Loans, the Daylight Term Loan Maturity Date.

"**Maximum Rate**" has the meaning assigned to such term in Section 9.19.

"**Moody's**" means Moody's Investors Service, Inc.

"**Mortgage**" means any mortgage, deed of trust, deed to secure debt or other agreement which conveys or evidences a Lien in favor of the Administrative Agent, for the benefit of the Administrative Agent and the relevant Secured Parties, on any Material Real Estate Asset constituting Collateral.

"**Mortgage Policy**" has the meaning assigned to such term in the definition of "Collateral and Guarantee Requirement".

"**Multiemployer Plan**" means any employee benefit plan which is a "multiemployer plan" as defined in Section 3(37) of ERISA, that is subject to the provisions of Title IV of ERISA.

"**Net Insurance/Condemnation Proceeds**" means an amount equal to: (a) any Cash payments or proceeds (including Cash Equivalents) received by Parent or any of its Restricted Subsidiaries (i) under any casualty insurance policy in respect of a covered loss thereunder of any assets of Parent or any of its Restricted Subsidiaries or (ii) as a result of the taking of any assets of Parent or any of its Restricted Subsidiaries by any Person pursuant to the power of eminent domain, condemnation or otherwise, or pursuant to a sale of any such assets to a purchaser with such power under threat of such a taking, *minus* (b) (i) any actual out-of-pocket costs and expenses incurred in connection with the adjustment, settlement or collection of any claims in respect thereof, (ii) payment of the outstanding principal amount of, premium or penalty, if any, and interest and other amounts on any Indebtedness (other than the Loans, any other Indebtedness secured by a Lien on the Collateral that is *pari passu* with or expressly subordinated to the Lien on the Collateral securing the Secured Obligations and any unsecured Indebtedness incurred by a Loan Party) that is secured by a Lien on the assets in question and that is required to be repaid or otherwise comes due or would be in default under the terms thereof as a result of such loss, taking or sale, (iii) in the case of a taking, the reasonable out-of-pocket costs of putting any affected property in a safe and secure position, (iv) any selling costs and out-of-pocket expenses (including reasonable broker's fees or commissions, legal fees, accountants' fees, investment banking fees, survey costs, title insurance premiums, and related search and recording charges, deed or mortgage recording taxes, other expenses and brokerage, consultant and other customary fees actually incurred in connection therewith and transfer and similar Taxes and Parent's good faith estimate of income Taxes paid or payable (including pursuant to Tax sharing arrangements or that are or would be imposed on intercompany distributions with such proceeds)) in connection with any sale or taking of such assets as described in clause (a) of this definition, (v) any amounts provided as a reserve in accordance with GAAP against any liabilities under any indemnification obligation or purchase price adjustments associated with any sale or taking of such assets as referred to in clause (a) of this definition (provided that to the extent

and at the time any such amounts are released from such reserve, other than to make a payment for which such amount was reserved, such amounts shall constitute Net Insurance/Condemnation Proceeds) and (vi) in the case of any covered loss or taking from any non-Wholly-Owned Subsidiary, the pro rata portion thereof (calculated without regard to this clause (vi)) attributable to minority interests and not available for distribution to or for the account of Parent or a Wholly-Owned Subsidiary as a result thereof.

"**Net Proceeds**" means (a) with respect to any Disposition (including any Prepayment Asset Sale), the Cash proceeds (including Cash Equivalents and Cash proceeds subsequently received (as and when received) in respect of non-cash consideration initially received and any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, and specifically excluding the assumption by the acquiring Person of Indebtedness relating to the disposed assets or other consideration received in any other non-cash form), net of the costs and expenses relating to and in respect of such Disposition, including (i) selling costs and out-of-pocket expenses (including broker's fees or commissions, legal fees, accountants' fees, investment banking fees, survey costs, title insurance premiums, and related search and recording charges, deed or mortgage recording taxes, relocation expenses incurred as a result thereof, foreign currency hedging expenses, other customary expenses and brokerage, consultant and other customary fees actually incurred in connection therewith and transfer and similar Taxes and Parent's good faith estimate of income Taxes paid or payable or required to be accrued as a liability under GAAP (including as a consequence of any transfer of funds in connection with the application thereof in accordance with Section 2.11(b)) and determined without taking into account any available tax credits, losses or deductions or any tax sharing arrangements and including pursuant to Tax sharing arrangements or that are or would be imposed on intercompany distributions with such proceeds) in connection with such Disposition), (ii) amounts provided as a reserve in accordance with GAAP against any liabilities under any indemnification obligation or purchase price adjustment associated with such Disposition including, without limitation, pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction and, in the case of a Disposition by a non-Wholly-Owned Subsidiary, the pro rata portion of the cash proceeds thereof attributable to minority interests and not available for distribution to or for the account of the Parent or a Wholly-Owned Subsidiary as a result thereof (provided that to the extent and at the time any such amounts are released from such reserve, other than to make a payment for which such amount was reserved, such amounts shall constitute Net Proceeds), (iii) the principal amount, premium or penalty, if any, interest and other amounts on any Indebtedness (other than the Loans, any other Indebtedness secured by a Lien on the Collateral that is *pari passu* with or expressly subordinated to the Lien on the Collateral securing the Secured Obligations and any unsecured Indebtedness incurred by a Loan Party) which is required to be repaid or otherwise comes due or would be in default and is repaid or which is required to be paid in order to obtain a necessary consent to such Disposition or by applicable law (other than any such Indebtedness that is assumed by the purchaser of such asset), (iv) Cash escrows (until released from escrow to Parent or any of its Restricted Subsidiaries) from the sale price for such Disposition, (v) in the case of any Disposition by any non-Wholly-Owned Subsidiary, the pro rata portion of the Net Proceeds thereof (calculated without regard to this clause (v)) attributable to any minority interest and not available for distribution to or for the account of Parent or a Wholly-Owned Subsidiary as a result thereof) and (vi) (A) in the case of a sale by Parent or any Restricted Subsidiary of Capital Stock of another Person, an amount equal to the amount of Cash or Cash Equivalents remaining on the balance sheet of such Person immediately after the closing of the sale (or, if the Capital Stock sold by Parent or any Subsidiary represents less than all of the Capital Stock of such Person, only the pro rata portion of such Cash and Cash Equivalents attributable to the Capital Stock sold by Parent or any Subsidiary) and (B) in the case of a sale by Parent or any Subsidiary of an asset that contains Cash or Cash Equivalents (including, but not limited to, any Deposit Account), the amount of such Cash or Cash Equivalents and (b) with respect to any issuance or incurrence of Indebtedness or Capital Stock, the Cash proceeds thereof, net of all Taxes

and customary fees, commissions, costs, underwriting discounts and other fees and expenses incurred in connection therewith.

"**Net Short Lender**" has the meaning assigned to such term in Section 9.02.

"**Non-Consenting Lender**" has the meaning assigned to such term in Section 2.19(b).

"**Non-Debt Fund Affiliate**" means Parent and any Affiliate of Parent, other than any Debt Fund Affiliate.

"**Non-Financing Lease Obligation**" of any Person means a lease obligation of such Person that is not an obligation in respect of a Finance Lease. A straight-line or operating lease shall be considered a Non-Financing Lease Obligation.

"**Obligations**" means all unpaid principal of and accrued and unpaid interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loans, all LC Exposure, all accrued and unpaid fees and all expenses, reimbursements, indemnities and all other advances to, debts, liabilities and obligations of the Loan Parties to the Lenders or to any Lender, the Administrative Agent, any Issuing Bank or any indemnified party arising under the Loan Documents in respect of any Loan or Letter of Credit, whether direct or indirect (including those acquired by assumption), absolute, contingent, due or to become due, now existing or hereafter arising.

"**Organizational Documents**" means (a) with respect to any corporation, its certificate or articles of incorporation or organization and its by-laws, (b) with respect to any limited partnership, its certificate of limited partnership and its partnership agreement, (c) with respect to any general partnership, its partnership agreement, (d) with respect to any limited liability company, its articles of organization or certificate of formation, and its operating agreement or limited liability company agreement and (e) with respect to any other form of entity, such other organizational documents required by local Requirements of Law or customary under the jurisdiction in which such entity is organized to document the formation and governance principles of such type of entity. In the event that any term or condition of this Agreement or any other Loan Document requires any Organizational Document to be certified by a secretary of state or similar governmental official, the reference to any such "Organizational Document" shall only be to a document of a type customarily certified by such governmental official.

"**Other Applicable Indebtedness**" has the meaning assigned to such term in Section 2.11(b).

"**Other Connection Taxes**" means, with respect to any Lender or Administrative Agent, 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, or 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 Subject Indebtedness**" means any Indebtedness of any Loan Party evidenced by bonds, debentures, notes or similar instruments incurred in compliance with this Agreement that is secured by Liens on the Collateral on a pari passu basis with the Liens on the Collateral securing the Obligations.

"**Other Taxes**" means any and all present or future stamp, court or documentary taxes or any intangible, recording, filing or other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to,

this Agreement, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.19). For the avoidance of doubt, Other Taxes do not include any Excluded Taxes.

"**Outstanding Amount**" means (a) with respect to any Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of such Loans occurring on such date, (b) with respect to any Letter of Credit, the aggregate amount available to be drawn under such Letter of Credit after giving effect to any changes in the aggregate amount available to be drawn under such Letter of Credit or the issuance or expiry of such Letter of Credit, including as a result of any LC Disbursement and (c) with respect to any LC Disbursement on any date, the aggregate outstanding amount of such LC Disbursement on such date after giving effect to any disbursements with respect to any Letter of Credit occurring on such date and any other changes in the aggregate amount of such LC Disbursement as of such date, including as a result of any reimbursements by the Borrower of such unreimbursed LC Disbursement.

"**Parent**" (a)(i) prior to the consummation of a transaction described in clause (b) of this definition, has the meaning assigned to such term in the preamble to this Agreement and (ii) following the consummation of a transaction permitted hereunder that results in a Successor Parent, means such Successor Parent.

"**Participant**" has the meaning assigned to such term in Section 9.05(c).

"**Participant Register**" has the meaning assigned to such term in Section 9.05(c).

"**Patent**" means the following: (a) all patents and patent applications; (b) all inventions described and claimed therein; (c) all reissues, divisions, continuations, renewals, extensions and continuations in part thereof; (d) all income, royalties, damages and payments now or hereafter due or payable under any of the foregoing, including, without limitation, damages or payments for past or future infringements thereof; (e) the right to sue for past, present, and future infringements thereof; and (f) all domestic rights corresponding to any of the foregoing.

"**PBGC**" means the Pension Benefit Guaranty Corporation.

"**Perfection Certificate**" means a certificate substantially in the form of Exhibit E.

"**Perfection Requirements**" means (a) the filing of appropriate financing statements with the office of the Secretary of State or other appropriate office in the state of organization of each Loan Party, (b) the filing of Intellectual Property Security Agreements or other appropriate notices with the U.S. Patent and Trademark Office and/or the U.S. Copyright Office, as applicable, (c) the proper recording or filing, as applicable, of Mortgages and fixture filings with respect to any Material Real Estate Asset constituting Collateral, in each case in favor of the Administrative Agent for the benefit of the Secured Parties, (d) the delivery to the Administrative Agent of any stock certificate or promissory note to the extent required to be delivered by the applicable Loan Documents and (e) other filings, recordings and registrations necessary to perfect the Liens on the Collateral granted by the Loan Parties in favor of the Administrative Agent or to enforce the rights of the Administrative Agent and the Secured Parties under the Loan Documents.

"**Permitted Acquisition**" means any acquisition by Parent or any of its Restricted Subsidiaries, whether by purchase, merger, amalgamation or otherwise, of all or a substantial portion of the assets of, or any business line, unit or division or product line (including research and development and related assets in respect of any product) of, any Person or of a majority of the outstanding Capital Stock of any

Person (and, in any event, including any Investment in (x) any Restricted Subsidiary that is not a Wholly Owned Subsidiary which serves to increase Parent's or any Restricted Subsidiary's respective equity ownership in such Restricted Subsidiary or (y) any joint venture for the purpose of increasing Parent's or its relevant Restricted Subsidiary's ownership interest in such joint venture), in each case if (1) such Person is or becomes a Restricted Subsidiary or (2) such Person, in one transaction or a series of related transactions, is amalgamated, merged or consolidated with or into, or transfers or conveys all or a substantial portion of its assets (or such division, business line, unit or product line) to, or is liquidated into, Parent and/or any Restricted Subsidiary as a result of such transaction; provided that (i) at the applicable time elected by Parent in accordance with Section 1.04(e), with respect to such acquisition, no Specified Event of Default shall be continuing and (ii) the target Person, assets, business or division in respect of such acquisition is a business permitted under Section 5.16 (provided that, Permitted Acquisitions in an aggregate amount up to $200,000,000 per annum shall not be subject to the requirements in this clause (ii)).

"**Permitted Asset Swap**" means the concurrent purchase and sale or exchange of Related Business Assets or any combination of Related Business Assets between Parent and/or any Restricted Subsidiary and any other Person.

"**Permitted Holders**" means (a) the Investors and (b) any Person with which one or more Investors form a "group" (within the meaning of Section 14(d) of the Exchange Act as in effect on the date hereof) so long as, in the case of this clause (b), the relevant Investors beneficially own more than 50% of the relevant voting stock beneficially owned by the group.

"**Permitted Liens**" means Liens permitted pursuant to Section 6.02.

"**Permitted Payee**" means any future, current or former director, officer, member of management, manager, employee, independent contractor or consultant (or any Immediate Family Member or transferee of any of the foregoing) of Parent (or any subsidiary).

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

"**Plan**" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title IV of ERISA, (b) a "plan" as defined in and subject to 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".

"**Platform**" has the meaning assigned to such term in Section 9.01(b).

"**Preferred Capital Stock**" means any Capital Stock with preferential rights of payment of dividends or upon liquidation, dissolution or winding up.

"**Prepayment Asset Sale**" means any Disposition by Parent or any Restricted Subsidiary made pursuant to Section 6.07(h).

"**Previously Designated Unrestricted Subsidiary**" has the meaning assigned to such term in Section 5.10.

"**Primary Obligor**" has the meaning assigned to such term in the definition of "Guarantee".

"**Prime Rate**" means (a) the rate of interest determined from time to time by the Administrative Agent at its principal office in New York City as its "prime rate," with the understanding that the "prime rate" is one of the Administrative Agent's base rates (not necessarily the lowest of such rates) and serves as the basis upon which effective rates of interest are calculated for those loans making reference thereto or (b) if the Administrative Agent has no "prime rate," the rate of interest last quoted by *The Wall Street Journal* as the "Prime Rate" in the U.S. or, if *The Wall Street Journal* ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as reasonably determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as reasonably determined by the Administrative Agent).

"**Pro Forma Basis**" or "**pro forma effect**" means, with respect to any determination of the Total Leverage Ratio, the First Lien Leverage Ratio, the Secured Leverage Ratio, the Interest Coverage Ratio, Consolidated Adjusted EBITDA, Consolidated Net Income or Consolidated Total Assets (including component definitions thereof) that each Subject Transaction shall be deemed to have occurred as of the first day of the applicable Test Period (or, in the case of Consolidated Total Assets (or with respect to any determination pertaining to the balance sheet, including the acquisition of Cash and Cash Equivalents in connection with an acquisition of a Person, business line, unit, division or product line), as of the last day of such Test Period) with respect to any test or covenant for which such calculation is being made and that:

(a) (i) in the case of (A) any Disposition of all or substantially all of the Capital Stock of any Restricted Subsidiary or any division and/or product line of Parent or any Restricted Subsidiary or (B) any designation of a Restricted Subsidiary as an Unrestricted Subsidiary, income statement items (whether positive or negative) attributable to the property or Person subject to such Subject Transaction, shall be excluded as of the first day of the applicable Test Period with respect to any test or covenant for which the relevant determination is being made and (ii) in the case of any Permitted Acquisition, Investment and/or designation of an Unrestricted Subsidiary as a Restricted Subsidiary described in the definition of the term "Subject Transaction", income statement items (whether positive or negative) attributable to the property or Person subject to such Subject Transaction shall be included as of the first day of the applicable Test Period with respect to any test or covenant for which the relevant determination is being made; provided that any pro forma adjustment may be applied to any such test or covenant solely to the extent that such adjustment is consistent with the definition of "Consolidated Adjusted EBITDA",

(b) any Expected Cost Savings as a result of any Cost Savings Initiative shall be calculated on a pro forma basis as though such Expected Costs Savings had been realized on the first day of the applicable Test Period and as if such Expected Cost Savings were realized in full during the entirety of such period,

(c) any retirement or repayment of Indebtedness (other than normal fluctuations in revolving Indebtedness incurred for working capital purposes) shall be deemed to have occurred as of the first day of the applicable Test Period with respect to any test or covenant for which the relevant determination is being made,

(d) any Indebtedness incurred by Parent or any of its Restricted Subsidiaries in connection therewith shall be deemed to have occurred as of the first day of the applicable Test Period with respect to any test or covenant for which the relevant determination is being made; provided that, (x) if such Indebtedness has a floating or formula rate, such Indebtedness shall

have an implied rate of interest for the applicable Test Period for purposes of this definition determined by utilizing the rate that is or would be in effect with respect to such Indebtedness at the relevant date of determination (taking into account any interest hedging arrangements applicable to such Indebtedness), (y) interest on any obligation with respect to any Finance Lease shall be deemed to accrue at an interest rate determined by a Responsible Officer of Parent in good faith to be the rate of interest implicit in such obligation in accordance with GAAP and (z) interest on any Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a Eurocurrency interbank offered rate or other rate shall be determined to have been based upon the rate actually chosen, or if none, then based upon such optional rate chosen by the Borrower, and

(e) the acquisition of any assets (including Cash and Cash Equivalents) included in calculating Consolidated Total Assets, whether pursuant to any Subject Transaction or any Person becoming a subsidiary or merging, amalgamating or consolidating with or into Parent or any of its Restricted Subsidiaries, or the Disposition of any assets (including Cash and Cash Equivalents) included in calculating Consolidated Total Assets described in the definition of "Subject Transaction" shall be deemed to have occurred as of the last day of the applicable Test Period with respect to any test or covenant for which such calculation is being made.

"**Projections**" means the projections of Parent and its Restricted Subsidiaries included in the Lender Presentation (or a supplement thereto).

"**Promissory Note**" means a promissory note of the Borrower payable to any Lender or its registered assigns, in substantially the form of Exhibit G hereto, evidencing the aggregate outstanding principal amount of Loans of the Borrower to such Lender resulting from the Loans made by such Lender.

"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.

"**Public Lender**" has the meaning assigned to such term in Section 9.01(c).

"**Published LIBO Rate**" means, with respect to any Borrowing of LIBO Rate Loans for any Interest Period, the rate per annum that is equal to the ICE Benchmark Administration Interest Settlement Rates for deposits in Dollars at approximately 11:00 a.m., London time, on the date that is two Business Days prior to the commencement of such Interest Period (as set forth by any service selected by the Administrative Agent that has been nominated by the ICE Benchmark Administration Limited (or any success or administrator) as an authorized information vendor for the purpose of displaying such rates (or, if the ICE Benchmark Administration Limited no longer administers such rate, the equivalent rate for deposits in Dollars administered by any successor administrator of such rate) for a period equal to such Interest Period; provided that, to the extent that an interest rate is not ascertainable pursuant to the foregoing provisions of this definition, the "Published LIBO Rate" shall be the Interpolated Rate; provided further, that if such rate as determined above is at any time negative, the Published LIBO Rate at such time shall instead be zero.

"**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**" shall have the meaning assigned to such term in Section 9.24.

"**Qualified Capital Stock**" of any Person means any Capital Stock of such Person that is not Disqualified Capital Stock.

"**Qualified Receivables Facility**" means any Receivables Facility that meets the following conditions: (a) Parent shall have determined in good faith that such Receivables Facility (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to Parent and its Restricted Subsidiaries; (b) all sales of Receivables Facility Assets and related assets by Parent or any Restricted Subsidiary to the Receivables Subsidiary or any other Person are made at fair market value (as determined in good faith by Parent); (c) the financing terms, covenants, termination events and other provisions thereof shall be on market terms (as determined in good faith by Parent) and may include Standard Securitization Undertakings; and (d) the obligations under such Receivables Facility are non-recourse (except for customary representations, warranties, covenants and indemnities made in connection with such facilities) to Parent or any of its Restricted Subsidiaries (other than a Receivables Subsidiary).

"**Qualifying Bid**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Qualifying Lender**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Ratio Interest Expense**" means, with respect to any Person for any period, (a) consolidated total cash interest expense of such Person and its Restricted Subsidiaries for such period, (i) including the interest component of any payment under any Finance Lease (regardless of whether accounted for as interest expense under GAAP) and (ii) excluding (A) amortization, accretion or accrual of deferred financing fees, original issue discount, debt issuance costs, discounted liabilities, commissions, fees and expenses, (B) any expense arising from any bridge, commitment, structuring and/or other financing fee (including fees and expenses associated with the Transactions and agency and trustee fees), (C) any expense resulting from the discounting of Indebtedness in connection with the application of recapitalization accounting or, if applicable, acquisition accounting, (D) fees and expenses associated with any Dispositions, acquisitions, Investments, issuances of Capital Stock or Indebtedness (in each case, whether or not consummated), (E) costs associated with obtaining, or breakage costs in respect of, any Hedge Agreement or any other derivative instrument other than any interest rate Hedge Agreement or interest rate derivative instrument with respect to Indebtedness, (F) penalties and interest relating to Taxes, (G) any "additional interest" or "liquidated damages" for failure to timely comply with registration rights obligations, (H) any Charge or gain resulting from accounting for the modification or extinguishment of any Indebtedness, (I) any payments with respect to make-whole, prepayment or repayment premiums or other breakage costs of any Indebtedness, (J) any interest expense attributable to the exercise of appraisal rights or other rights of dissenting shareholders and the settlement of any claims or actions (whether actual, contingent or potential) with respect thereto in connection with the Transactions or any acquisition or Investment permitted hereunder and (K) for the avoidance of doubt, any non-cash interest expense attributable to any movement in the mark to market valuation of any obligation under any Hedge Agreement or any other derivative instrument and/or any payment obligation arising under any Hedge Agreement or derivative instrument other than any interest rate Hedge Agreement or interest rate derivative instrument with respect to Indebtedness *minus* (b) cash interest income for such period. For purposes of this definition, (x) interest in respect of any Finance Lease shall be deemed to accrue at an interest rate determined by such Person in good faith to be the rate of interest implicit in such Finance Lease in accordance with GAAP and (y) interest expense shall be calculated after giving effect to any payments made or received under any Hedge Agreement or any other derivative instrument with respect to Indebtedness.

"**Real Estate Asset**" means, at any time of determination, all right, title and interest of any Loan Party in and to all owned real property and all real property leased or subleased by a Loan Party (including, but not limited to, land, improvements and fixtures thereon) of such Loan Party.

"**Receivables Facility**" means any of one or more receivables financing facilities or securitization financing facilities as amended, supplemented, modified, extended, renewed, restated or refunded from time to time, pursuant to which Parent or any of the Restricted Subsidiaries sells or grants a security interest in its Receivables Facility Assets to either (a) a Person that is not a Restricted Subsidiary or (b) a Restricted Subsidiary or Receivables Subsidiary that in turn funds such purchase by selling or granting a security interest in its Receivables Facility Assets to a Person that is not a Restricted Subsidiary or by borrowing from such a Person or from another Receivables Subsidiary that in turn funds itself by borrowing from such a Person, in each case, that constitutes a Qualified Receivables Facility.

"**Receivables Facility Asset**" means (a) any accounts receivable, revenue stream or other right of payment or related asset and (b) contract rights, lockbox accounts and records with respect to such assets customarily transferred therewith, in each case subject to a Receivables Facility.

"**Receivables Fees**" means distributions or payments made directly or by means of discounts with respect to any Receivables Facility Asset or participation interest therein issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Receivables Facility.

"**Receivables Subsidiary**" means any Subsidiary formed for the purpose of facilitating or entering into one or more Receivables Facilities, and in each case engages only in activities reasonably related or incidental thereto or another Person formed for the purposes of engaging in a Receivables Facility in which Parent or any Subsidiary makes an Investment and to which Parent or any Subsidiary transfers Receivables Facility Assets.

"**Refinancing Amendment**" means an amendment to this Agreement that is reasonably satisfactory to the Administrative Agent and Parent executed by (a) Parent and the Borrower, (b) the Administrative Agent and (c) each Lender that agrees to provide all or any portion of the Replacement Term Loans or the Replacement Revolving Facility, as applicable, being incurred pursuant thereto and in accordance with Section 9.02(b).

"**Refinancing Indebtedness**" has the meaning assigned to such term in Section 6.01(p).

"**Refunding Capital Stock**" has the meaning assigned to such term in Section 6.04(a)(vii).

"**Register**" has the meaning assigned to such term in Section 9.05(b).

"**Regulated Bank**" means an Approved Commercial Bank that is (i) a U.S. depository institution the deposits of which are insured by the Federal Deposit Insurance Corporation; (ii) a corporation organized under section 25A of the U.S. Federal Reserve Act of 1913; (iii) a branch, agency or commercial lending company of a foreign bank operating pursuant to approval by and under the supervision of the Board under 12 CFR part 211; (iv) a non-U.S. branch of a foreign bank managed and controlled by a U.S. branch referred to in clause (iii); or (v) any other U.S. or non-U.S. depository institution or any branch, agency or similar office thereof supervised by a bank regulatory authority in any jurisdiction.

"**Regulation U**" means Regulation U of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"**Regulation X**" means Regulation X of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"**Related Business Assets**" means assets (other than Cash or Cash Equivalents) used or useful in a Similar Business; provided that any asset received by Parent or any Restricted Subsidiary in exchange for any asset transferred by Parent or any Restricted Subsidiary shall not be deemed to constitute a Related Business Asset if such asset consists of securities of a Person, unless upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

"**Related Funds**" means with respect to any Lender that is an Approved Fund, any other Approved Fund that is managed by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

"**Related Parties**" means, with respect to any specified Person, such Person's Affiliates and the respective directors, managers, officers, trustees, employees, partners, agents, advisors and other representatives of such Person and such Person's Affiliates.

"**Release**" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Material into the indoor or outdoor environment (including the abandonment of any barrels, containers or other closed receptacles containing any Hazardous Material).

"**Replaced Revolving Facility**" has the meaning assigned to such term in Section 9.02(b).

"**Replaced Term Loans**" has the meaning assigned to such term in Section 9.02(b).

"**Replacement Debt**" means any Refinancing Indebtedness (whether borrowed in the form of secured or unsecured loans, issued in a public offering, Rule 144A under the Securities Act or other private placement or bridge financing in lieu of the foregoing or otherwise) incurred in respect of Indebtedness permitted under Section 6.01(a) (and any subsequent refinancing of such Replacement Debt).

"**Replacement Revolving Facility**" has the meaning assigned to such term in Section 9.02(b).

"**Replacement Term Loans**" has the meaning assigned to such term in Section 9.02(b).

"**Reply Amount**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Reply Price**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Representative**" has the meaning assigned to such term in Section 9.13.

"**Repricing Transaction**" means each of (a) the optional prepayment, repayment, refinancing, substitution or replacement of all or a portion of the Initial Term Loans substantially concurrently with the incurrence by any Loan Party of any broadly syndicated Dollar denominated long-term term "B" credit facility secured on a *pari passu* basis with the Initial Term Loans (including any first-lien secured Replacement Term Loans) having an Effective Yield that is less than the Effective Yield applicable to the Initial Term Loans so prepaid, repaid, refinanced, substituted or replaced and (b) any amendment, waiver or other modification to this Agreement that would have the effect of reducing the Effective Yield applicable to the Initial Term Loans; provided that the primary purpose (as determined by Parent in good faith) of such prepayment, repayment, refinancing, substitution, replacement, amendment, waiver or other

modification was to reduce the Effective Yield applicable to the Initial Term Loans; provided, further, that in no event shall any such prepayment, repayment, refinancing, substitution, replacement, amendment, waiver or other modification in connection with a Change of Control or Material Acquisition (or other Material Investment) constitute a Repricing Transaction. Any determination by the Administrative Agent of the Effective Yield for purposes of the definition shall be conclusive and binding on all Lenders, and the Administrative Agent shall have no liability to any Person with respect to such determination absent bad faith, gross negligence or willful misconduct.

"**Required Excess Cash Flow Percentage**" means, as of the last day of any Excess Cash Flow Period, (a) if the First Lien Leverage Ratio is greater than 3.25, 50%, (b) if the First Lien Leverage Ratio is less than or equal to 3.25 and greater than 2.75, 25% and (c) if the First Lien Leverage Ratio is less than or equal to 2.75, 0%; it being understood and agreed that, for purposes of this definition as it applies to the determination of the amount of Excess Cash Flow that is required to be applied to prepay Subject Loans under Section 2.11(b)(i) for any Excess Cash Flow Period, the First Lien Leverage Ratio shall be determined after giving pro forma effect to such prepayment and to any other repayment or prepayment at or prior to the time such Excess Cash Flow prepayment is due.

"**Required Lenders**" means, at any time, Lenders having Loans or unused Commitments representing more than 50% of the sum of the total Loans and such unused Commitments at such time.

"**Required Revolving Lenders**" means, at any time, Lenders having Revolving Loans and unused Revolving Credit Commitments representing more than 50% of the sum of the total Revolving Loans and such unused Revolving Credit Commitments at such time.

"**Requirements of Law**" means, with respect to any Person, collectively, the common law and all federal, state, local, foreign, multinational or international laws, statutes, codes, treaties, standards, rules and regulations, guidelines, ordinances, orders, judgments, writs, injunctions, decrees (including administrative or judicial precedents or authorities) and the interpretation or administration thereof by, and other determinations, directives, requirements or requests of any Governmental Authority, in each case whether or not having the force of law and that are applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"**Responsible Officer**" of any Person means the chief executive officer, the president, the chief financial officer, the treasurer, any assistant treasurer, any executive vice president, any senior vice president, any vice president or the chief operating officer of such Person and any other individual or similar official thereof responsible for the administration of the obligations of such Person in respect of this Agreement, and, as to any document delivered on the Closing Date, shall include any secretary or assistant secretary or any other individual or similar official thereof with substantially equivalent responsibilities of a Loan Party and, solely for purposes of notices given pursuant to Article 2, any other officer of the applicable Loan Party so designated by any of the foregoing officers in a written notice to the Administrative Agent (including, for the avoidance of doubt, by electronic means). Any document delivered hereunder that is signed by a Responsible Officer of any Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party, and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"**Responsible Officer Certification**" means, with respect to the financial statements for which such certification is required, the certification of a Responsible Officer of Parent that such financial statements fairly present, in all material respects, in accordance with GAAP, the consolidated financial condition of Parent as at the dates indicated and its consolidated income and cash flows for the periods

indicated, subject to changes resulting from audit and normal year-end adjustments and, in the case of quarterly financial statements, the absence of footnotes.

"**Restricted Amount**" has the meaning assigned to such term in Section 2.11(b)(iv).

"**Restricted Debt**" means any Junior Indebtedness to the extent the outstanding principal amount thereof is equal to or greater than the Threshold Amount.

"**Restricted Debt Payment**" has the meaning assigned to such term in Section 6.04(b).

"**Restricted Payment**" means (a) any dividend or other distribution on account of any shares of any class of the Capital Stock of Parent, except a dividend payable solely in shares of Qualified Capital Stock to the holders of such class, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value of any shares of any class of the Capital Stock of Parent and (c) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of the Capital Stock of Parent now or hereafter outstanding. The amount of any Restricted Payment (other than Cash) shall be the fair market value, as determined in good faith by Parent on the applicable date set forth in Section 1.04(e), of the assets or securities proposed to be transferred or issued by Parent pursuant to such Restricted Payment.

"**Restricted Subsidiary**" means, as to any Person, any subsidiary of such Person that is not an Unrestricted Subsidiary. Unless otherwise specified, "Restricted Subsidiary" shall mean any Restricted Subsidiary of Parent.

["**Retained Excess Cash Flow Amount**" means, at any date of determination, an amount, determined on a cumulative basis, that is equal to (x) Excess Cash Flow, less (y) the Required Excess Cash Flow Percentage of such Excess Cash Flow amount, for all Excess Cash Flow Periods ending after the Closing Date and prior to such date; provided that such amount shall not be less than zero for any Excess Cash Flow Period.]

"**Return Bid**" has the meaning assigned to such term in the definition of "Dutch Auction".

"**Revolving Borrower**" means (a) the Borrower and (b) any Subsidiary that enters into a Borrower Joinder pursuant to Section 9.02(d) of this Agreement as a Revolving Borrower.

"**Revolving Credit Commitment**" means any Initial Revolving Credit Commitment and any Additional Revolving Credit Commitment.

"**Revolving Credit Exposure**" means, with respect to any Lender at any time, the aggregate Outstanding Amount at such time of such Lender's Initial Revolving Credit Exposure and Additional Revolving Credit Exposure.

"**Revolving Facility**" means any Incremental Revolving Facility, any facility governing any Extended Revolving Credit Commitment or Extended Revolving Loans and any Replacement Revolving Facility.

"**Revolving Facility Test Condition**" means, as of any date of determination, without duplication, that the aggregate Outstanding Amount of all Revolving Loans and LC Disbursements as of such date, exceeds an amount equal to 35% of the Total Revolving Credit Commitment.

"**Revolving Lender**" means any Initial Revolving Lender and any Additional Revolving Lender.

"**Revolving Loans**" means any Initial Revolving Loans and any Additional Revolving Loans.

"**S&P**" means Standard & Poor's Financial Services LLC, a subsidiary of S&P Global.

"**Sale and Lease-Back Transaction**" means any transaction in which Parent or any of its Restricted Subsidiaries, directly or indirectly, becomes or remains liable as lessee or as a guarantor or other surety with respect to any lease of any property (whether real, personal or mixed), whether now owned or hereafter acquired, which Parent or the relevant Restricted Subsidiary (a) has sold or transferred or is to sell or to transfer to any other Person (other than Parent or any of its Restricted Subsidiaries) and (b) intends to use for substantially the same purpose as the property which has been or is to be sold or transferred by Parent or such Restricted Subsidiary to any Person (other than Parent or any of its Restricted Subsidiaries) in connection with such lease.

"**Sanctioned Country**" means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, Crimea, Cuba, Iran, North Korea and Syria).

"**Sanctioned Person**" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the United Nations Security Council, the European Union, Canada or Her Majesty's Treasury of the United Kingdom, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses.

"**Sanctions**" means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the United Nations Security Council, the European Union, Canada or Her Majesty's Treasury of the United Kingdom.

"**Scheduled Consideration**" has the meaning assigned to such term in Section 2.11(b)(i).

"**SEC**" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any or all of its functions.

"**Secured Hedging Obligations**" means all Hedging Obligations (other than any Excluded Swap Obligations) under each Hedge Agreement that (a) is in effect on the Closing Date or (b) is entered into after the Closing Date between Parent or any Restricted Subsidiary and (i) any counterparty that is (or is an Affiliate of) the Administrative Agent, any Lender or any Arranger at the time such Hedge Agreement is entered into or (ii) any other counterparty, in each case for which Parent agrees to provide security and, in each case, the provider of such Hedge Agreement has been designated to the Administrative Agent pursuant to an Additional Secured Party Acknowledgment by Parent as being an additional secured party for purposes of the Loan Documents, it being understood that (x) if any such Restricted Subsidiary is not a Loan Party, the related Hedge Agreement is related to the operations of Parent and its Restricted Subsidiaries, (y) if any such counterparty is not the Administrative Agent, a Lender or an Arranger (or any Affiliate of any of the foregoing) on the date of the Additional Secured Party Acknowledgment, then the related Hedge Agreement may only relate to commodities (including precious metals) derivative transactions and (z) each counterparty thereto shall be deemed (A) to appoint the Administrative Agent as its agent under the applicable Loan Documents and (B) to agree to be bound by the provisions of Article 8, Sections 9.03, 9.10 and each Acceptable Intercreditor Agreement as if it were a Lender.

"**Secured Leverage Ratio**" means the ratio, as of any date of determination, of (a) Consolidated Secured Debt as of such date to (b) Consolidated Adjusted EBITDA for the Test Period then most recently ended or the Test Period otherwise specified where the term "Secured Leverage Ratio" is used in this Agreement, in each case for Parent and its Restricted Subsidiaries.

"**Secured Obligations**" means all Obligations, together with (a) all Banking Services Obligations and (b) all Secured Hedging Obligations; provided that Banking Services Obligations and Secured Hedging Obligations shall cease to constitute Secured Obligations on and after the Termination Date.

"**Secured Parties**" means (i) the Lenders and the Issuing Banks, (ii) the Administrative Agent, (iii) each counterparty to a Hedge Agreement with Parent or any Restricted Subsidiary, the obligations under which constitute Secured Obligations, (iv) each provider of Banking Services to Parent or any Restricted Subsidiary, the obligations under which constitute Secured Obligations, (v) each Local Facility Provider (vi) the Arrangers and (vii) the beneficiaries of each indemnification obligation undertaken by any Loan Party under any Loan Document.

"**Securities**" means any stock, shares, units, partnership interests, voting trust certificates, certificates of interest or participation in any profit-sharing agreement or arrangement, options, warrants, bonds, debentures, notes, or other evidences of indebtedness, secured or unsecured, convertible, subordinated or otherwise, or in general any instruments commonly known as "securities" or any certificates of interest, shares or participations in temporary or interim certificates for the purchase or acquisition of, or any right to subscribe to, purchase or acquire, any of the foregoing; provided that the term "Securities" shall not include any earn-out agreement or obligation or any employee bonus or other incentive compensation plan or agreement.

"**Securities Act**" means the Securities Act of 1933 and the rules and regulations of the SEC promulgated thereunder.

"**Securitization Repurchase Obligation**" means any obligation of a seller (or any guaranty of such obligation) of assets subject to a Qualified Receivables Facility to repurchase such assets arising as a result of a breach of a representation, warranty or covenant or otherwise, including, without limitation, as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, offset or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to such seller.

"**Security Agreement**" means the Pledge and Security Agreement, substantially in the form of Exhibit J, among the Loan Parties and the Administrative Agent for the benefit of the Secured Parties.

"**Shared Incremental Amount**" means, as of any date of determination, (a) the greater of (i) $655,000,000 and (ii) 100% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period minus (b) the aggregate principal amount of all Incremental Facilities and/or Incremental Equivalent Debt originally incurred or issued in reliance on the Shared Incremental Amount outstanding on such date, in each case after giving effect to any reclassification of any such Indebtedness as having been incurred under clause (e) of the definition of "Incremental Cap" hereunder.

"**Similar Business**" means any Person the majority of the revenues of which are derived from a business that would be permitted by Section 5.16 if the references to "Restricted Subsidiaries" in Section 5.16 were read to refer to such Person.

"**SPC**" has the meaning assigned to such term in Section 9.05(e).

"**Specified Event of Default**" means an Event of Default pursuant to Section 7.01(a) or, with respect to Parent or any Borrower, Section 7.01(f) or (g).

"**Standard Securitization Undertakings**" means representations, warranties, covenants and indemnities entered into by Parent or any Subsidiary of Parent which Parent has determined in good faith to be customary in a Receivables Facility, including, without limitation, those relating to the servicing of the assets of a Receivables Subsidiary, it being understood that any Securitization Repurchase Obligation shall be deemed to be a Standard Securitization Undertaking.

"**Standby Letter of Credit**" means any Letter of Credit other than any Commercial Letter of Credit.

"**Stated Amount**" means, with respect to any Letter of Credit, at any time, the maximum amount available to be drawn thereunder, in each case determined (a) as if any future automatic increases in the maximum available amount provided for in any such Letter of Credit had in fact occurred at such time and (b) without regard to whether any conditions to drawing could then be met but after giving effect to all previous drawings made thereunder.

"**Subject Loans**" means, as of any date of determination, (a) Initial Term Loans and (b) any Additional Term Loans that are subject to ratable prepayment requirements in accordance with Section 2.11(b) on such date of determination.

"**Subject Person**" has the meaning assigned to such term in the definition of "Consolidated Net Income".

"**Subject Proceeds**" has the meaning assigned to such term in Section 2.11(b)(ii).

"**Subject Subsidiary**" has the meaning assigned to such term in Section 5.10.

"**Subject Transaction**" means, with respect to any Test Period (and, except for purposes of Section 6.15, after such period as to which pro forma recalculation is appropriate as if such transaction had occurred as of the first day of such period), (a) the Transactions, (b) any Permitted Acquisition or any other acquisition or other Investment, whether by purchase, merger, amalgamation or otherwise, of all or substantially all of the assets of, or any business line, unit or division of, any Person or any facility, or of a majority of the outstanding Capital Stock of any Person (but in any event including any Investment in (x) any Restricted Subsidiary which serves to increase Parent's or any Restricted Subsidiary's respective equity ownership in such Restricted Subsidiary or (y) any joint venture for the purpose of increasing Parent's or its relevant Restricted Subsidiary's ownership interest in such joint venture), in each case that is permitted by this Agreement, (c) any Disposition of all or substantially all of the assets or Capital Stock of a subsidiary (or any business unit, line of business or division of Parent or a Restricted Subsidiary) not prohibited by this Agreement and/or any discontinued operation (as determined in accordance with GAAP), (d) the designation of a Restricted Subsidiary as an Unrestricted Subsidiary or an Unrestricted Subsidiary as a Restricted Subsidiary in accordance with Section 5.10 hereof, (e) any incurrence or repayment of Indebtedness (other than revolving Indebtedness), (f) any Cost Savings Initiative and/or (g) any other event that by the terms of the Loan Documents requires pro forma compliance with a test or covenant hereunder or requires such test or covenant to be calculated on a pro forma basis.

"**Subsidiary**" or "**subsidiary**" means, with respect to any Person, any corporation, partnership, limited liability company, association or other business entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or more than 50% of the general partnership interests are, at the time any determination is being made,

owned, Controlled or held, or (b) that is, at the time any determination is made, otherwise Controlled, by its parent or one or more subsidiaries of its parent or by its parent and one or more subsidiaries of its parent. Unless otherwise specified, "subsidiary" shall mean any subsidiary of Parent.

"**Subsidiary Guarantor**" means (x) on the Closing Date, each subsidiary of Parent (other than (i) the Borrower and (ii) any subsidiary that is an Excluded Subsidiary on the Closing Date) and (y) thereafter, each subsidiary of Parent that becomes a guarantor of the Secured Obligations pursuant to the terms of this Agreement, in each case, until such time as the relevant subsidiary is released from its obligations under the Loan Guaranty in accordance with the terms and provisions hereof. Notwithstanding the foregoing, Parent may from time to time, upon notice to the Administrative Agent, elect to cause any subsidiary that would otherwise be an Excluded Subsidiary to become a Subsidiary Guarantor hereunder (but shall have no obligation to do so), subject to the satisfaction of guarantee and collateral requirements consistent with the Collateral and Guarantee Requirements or otherwise reasonably acceptable to Parent and the Administrative Agent (which shall include, in the case of a Foreign Subsidiary, guarantee and collateral requirements customary under local law, including customary local limitations).

"**Successor Borrower**" has the meaning assigned to such term in Section 6.07(a).

"**Successor Parent**" has the meaning assigned to such term in Section 6.07(a).

"**Supported QFC**" shall have the meaning assigned to such term in Section 9.24.

"**Swap Obligations**" means, with respect to any Loan Party, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"**Tax Group**" has the meaning assigned to such term in Section 6.04(a)(xiv).

"**Taxes**" means any and all present and future taxes (including "business activities" 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.

"**Termination Date**" has the meaning assigned to such term in the lead-in to Article 5.

"**Term Facility**" means the Term Loans provided to or for the benefit of the Borrower pursuant to the terms of this Agreement.

"**Term Lender**" means a Lender with an Initial Term Loan Commitment or an Additional Term Loan Commitment or an outstanding Initial Term Loan or Additional Term Loan.

"**Term Loan**" means the Initial Term Loans and, if applicable, any Additional Term Loans.

"**Term Loan Borrower**" means (a) the Borrower and (b) any Subsidiary that enters into a Borrower Joinder pursuant to Section 9.02(d) of this Agreement as a Term Loan Borrower.

"**Test Period**" means, as of any date, (a) for purposes of determining actual compliance with Section 6.15(a), the period of four consecutive Fiscal Quarters then most recently ended and (b) for any other purpose, the period of four consecutive Fiscal Quarters then most recently ended for which financial statements under Section 5.01(a) or Section 5.01(b), as applicable, have been delivered (or are required to

have been delivered); it being understood and agreed that prior to the first delivery (or required delivery) of financial statements under Section 5.01(a), "Test Period" means the period of four consecutive Fiscal Quarters most recently ended for which financial statements of Parent and its consolidated subsidiaries are available.

"**Threshold Amount**" means the greater of $125,000,000 and 20% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period.

"**Total Leverage Ratio**" means the ratio, as of any date of determination, of (a) Consolidated Total Debt outstanding as of such date to (b) Consolidated Adjusted EBITDA for the Test Period then most recently ended or the Test Period otherwise specified where the term "Total Leverage Ratio" is used in this Agreement in each case for Parent and its Restricted Subsidiaries.

"**Total Revolving Credit Commitment**" means, at any time, the aggregate amount of the Revolving Credit Commitments as in effect at such time.

"**Trademark**" means the following: (a) all trademarks (including service marks), common law marks, trade names, trade dress, and logos, slogans and other indicia of origin, and the registrations and applications for registration thereof and the goodwill of the business symbolized by the foregoing; (b) all renewals of the foregoing; (c) all income, royalties, damages and payments now or hereafter due or payable under any of the foregoing, including, without limitation, damages or payments for past or future infringements thereof; (d) the right to sue for past, present and future infringements thereof; and (e) all domestic rights corresponding to any of the foregoing.

"**Transaction Costs**" means fees, premiums, expenses and other transaction costs (including original issue discount or upfront fees) payable or otherwise borne by Parent and/or its subsidiaries in connection with the Transactions and the transactions contemplated thereby.

"**Transactions**" means, collectively, (a) the execution, delivery and performance by the Loan Parties of the Loan Documents to which they are a party, (b) the Corporate Reorganization and the other transactions contemplated by the Form S-1, (c) the Borrowing of Loans hereunder and the use of the proceeds thereof and (d) the payment of the Transaction Costs.

"**Transformative Disposition**" means any Disposition by Parent or any Restricted Subsidiary that is either (a) not permitted by the terms of this Agreement immediately prior to the consummation of such Disposition or (b) if permitted by the terms of this Agreement immediately prior to the consummation of such Disposition, would not provide Parent and its Restricted Subsidiaries with a durable capital structure following such consummation, as determined by Parent acting in good faith.

"**Treasury Capital Stock**" has the meaning assigned to such term in Section 6.04(a)(vii).

"**Treasury Regulations**" means the U.S. federal income tax regulations promulgated under the Code.

"**Type**", when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the LIBO Rate or the Alternate Base Rate.

"**U.S. Special Resolution Regimes**" shall have the meaning assigned to such term in Section 9.24.

"**UCC**" means the Uniform Commercial Code as in effect from time to time in the State of New York or any other state the laws of which are required to be applied in connection with the creation or perfection of security interests.

"**Unrestricted Cash Amount**" means, as to any Person on any date of determination, the amount of (a) unrestricted Cash and Cash Equivalents of such Person and its Restricted Subsidiaries and (b) Cash and Cash Equivalents of such Person and its Restricted Subsidiaries that are restricted in favor of the Credit Facilities (which may also secure other Indebtedness that is secured by a Lien on Collateral along with the Credit Facilities on a *pari passu* or junior secured basis as permitted hereunder), in each case as determined in accordance with GAAP.

"**Unrestricted Subsidiary**" means any subsidiary of Parent designated by Parent as an Unrestricted Subsidiary on the Closing Date and listed on Schedule 5.10 hereto or after the Closing Date pursuant to Section 5.10.

"**Unused Revolving Credit Commitment**" of any Lender, at any time, means the remainder of the Revolving Credit Commitment of such Lender at such time, if any, less the sum of (a) the aggregate Outstanding Amount of Revolving Loans made by such Lender and (b) such Lender's LC Exposure at such time.

"**U.S.**" or "**United States**" means the United States of America.

"**U.S. Tax Compliance Certificate**" has the meaning assigned to such term in Section 2.17(f).

"**USA PATRIOT Act**" means The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. No. 107-56 (signed into law October 26, 2001)).

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness at any date, the number of years obtained by dividing: (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required scheduled payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by (b) the then outstanding principal amount of such Indebtedness; provided that the effect of any prepayment made in respect of such Indebtedness shall be disregarded in making such calculation.

"**Wholly-Owned Subsidiary**" of any Person means a subsidiary of such Person 100% of the Capital Stock of which (other than directors' qualifying shares or shares required by Requirements of Law to be owned by a resident of the relevant jurisdiction) is owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

"**Withholding Agent**" means a Loan Party or the Administrative Agent.

"**Write-Down and Conversion Powers**" means, 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.

Section 1.02. Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Class (*e.g.*, a "Term Loan") or by Type (*e.g.*, a "LIBO Rate Loan") or by Class and Type (*e.g.*, a "LIBO Rate Term Loan"). Borrowings also may be classified and referred to

by Class (*e.g.*, a "Term Loan Borrowing") or by Type (*e.g.*, a "LIBO Rate Borrowing") or by Class and Type (*e.g.*, a "LIBO Rate Term Loan Borrowing").

Section 1.03. Terms Generally. (a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." The words "ordinary course of business" or "ordinary course" shall, with respect to any Person, be deemed to refer to items or actions that are consistent with industry practice of such Person's industry or such Person's past practice. Unless the context requires otherwise (i) any definition of or reference to any agreement, instrument or other document herein or in any Loan Document shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, amended and restated, supplemented or otherwise modified or extended, replaced or refinanced (subject to any restrictions or qualifications on such amendments, restatements, amendment and restatements, supplements or modifications or extensions, replacements or refinancings set forth herein), (ii) any reference to any Requirement of Law in any Loan Document shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing, superseding or interpreting such Requirement of Law, (iii) any reference herein or in any Loan Document to any Person shall be construed to include such Person's successors and permitted assigns, (iv) the words "herein," "hereof" and "hereunder," and words of similar import, when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision hereof, (v) all references herein or in any Loan Document to Articles, Sections, clauses, paragraphs, Exhibits and Schedules shall be construed to refer to Articles, Sections, clauses and paragraphs of, and Exhibits and Schedules to, such Loan Document, (vi) in the computation of periods of time in any Loan Document from a specified date to a later specified date, the word "from" means "from and including", the words "to" and "until" mean "to but excluding" and the word "through" means "to and including" and (vii) the words "asset" and "property", when used in any Loan Document, 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.

(b) For purposes of determining compliance at any time with Sections 6.01, 6.02, 6.04, 6.06, 6.07 and 6.09, in the event that any Indebtedness, Lien, Restricted Payment, Restricted Debt Payment, Investment, Disposition or Affiliate Transaction, as applicable, or portion thereof, at any time meets the criteria of more than one of the categories of transactions or items permitted pursuant to any clause of such Sections 6.01 (other than Sections 6.01(a) (in the case of Indebtedness incurred on the Closing Date) and (x)), 6.02 (other than Sections 6.02(a) and (t)), 6.04, 6.06, 6.07 and 6.09 (each of the foregoing, a "**Reclassifiable Item**"), Parent, in its sole discretion, may, from time to time, divide, classify or reclassify such Reclassifiable Item (or portion thereof) under one or more clauses of each such Section and will only be required to include such Reclassifiable Item (or portion thereof) in any one category; provided that, upon delivery of any financial statements pursuant to Section 5.01(a) or (b) following the initial incurrence or making of any such Reclassifiable Item, if such Reclassifiable Item could, based on such financial statements, have been incurred in reliance on Section 6.01(z) (in the case of Indebtedness and Liens) or any "ratio-based" basket or exception (in the case of all other Reclassifiable Items), such Reclassifiable Item shall automatically be reclassified as having been incurred or made under the applicable provisions of Section 6.01(z) or such "ratio-based" basket or exception, as applicable (in each case, subject to any other applicable provision of Section 6.01(z) or such "ratio-based" basket or exception, as applicable). It is understood and agreed that any Indebtedness, Lien, Restricted Payment, Restricted Debt Payment, Investment Disposition and/or Affiliate transaction need not be permitted solely by reference to one category of permitted Indebtedness, Lien, Restricted Payment, Restricted Debt Payment, Investment Disposition and/or Affiliate transaction under Sections 6.01, 6.02, 6.04, 6.06, 6.07

or 6.09, respectively, but may instead be permitted in part under any combination thereof or under any other available exception.

(c) With respect to any Default or Event of Default, the words "exists", "is continuing" or similar expressions with respect thereto shall mean that the Default or Event of Default has occurred and has not yet been cured or waived. If any Default or Event of Default occurs due to the failure by any Loan Party or Restricted Subsidiary to take any action by a specified time, such Default or Event of Default shall be deemed to have been cured at the time, if any, that the applicable Loan Party or Restricted Subsidiary takes such action but only if the Administrative Agent or the Required Lenders shall not, prior to the taking of such action, have accelerated the Loans pursuant to Article 7 or otherwise commenced the exercise of secured creditor remedies. If any Default or Event of Default that occurs is subsequently cured as described in the preceding sentence (a "Cured Default"), any other Default or Event of Default resulting from the making or deemed making of any representation or warranty by any Loan Party or any Restricted Subsidiary or the taking of (or the failure to take) any action by any Loan Party or any Restricted Subsidiary, in each case which subsequent Default or Event of Default would not have arisen had the Cured Default not occurred, shall be deemed to be cured automatically upon, and simultaneously with, the cure of the Cured Default.

Section 1.04. Accounting Terms; GAAP.

(a) (i) All financial statements to be delivered pursuant to this Agreement shall be prepared in accordance with GAAP as in effect from time to time and, except as otherwise expressly provided herein, all terms of an accounting or financial nature that are used in calculating the Total Leverage Ratio, the First Lien Leverage Ratio, the Secured Leverage Ratio, the Interest Coverage Ratio, Consolidated Adjusted EBITDA, Consolidated Net Income or Consolidated Total Assets shall be construed and interpreted in accordance with GAAP, as in effect from time to time; provided that (A) if any change to GAAP or in the application thereof or any change as a result of the adoption or modification of accounting policies (including the conversion to IFRS as described below) or (B) if Parent elects or is required to report under IFRS, Parent or the Required Lenders may, in either case, request to amend the relevant affected provisions hereof (whether or not the request for such amendment is delivered before or after the relevant change or election) to eliminate the effect of such change or election, as the case may be, on the operation of such provisions and, upon any such request, (x) Parent and the Administrative Agent shall negotiate in good faith to enter into an amendment of the relevant affected provisions (it being understood that no amendment or similar fee shall be payable to the Administrative Agent or any Lender in connection therewith) to preserve the original intent thereof in light of the applicable change or election, as the case may be and (y) the relevant affected provisions shall be interpreted on the basis of GAAP and the currency, in each case, as in effect and applied immediately prior to the applicable change or election, as the case may be, until the request for amendment has been withdrawn by Parent or the Required Lenders, as applicable, or this Agreement has been amended as contemplated hereby. Any consent required from the Administrative Agent or any Required Lender with respect to the foregoing shall not be unreasonably withheld, conditioned or delayed.

(ii) All terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to (i) any election under Accounting Standards Codification 825-10-25 (previously referred to as Statement of Financial Accounting Standards 159) (or any other Accounting Standards Codification, International Accounting Standard or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of Parent or any subsidiary at "fair value," as defined therein, (ii) any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification, International Accounting Standard or Financial Accounting

Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof, (iii) the application of Accounting Standards Codification 480, 815, 805 and 718 (to the extent these pronouncements under Accounting Standards Codification 718 result in recording an equity award as a liability on the consolidated balance sheet of Parent and its Restricted Subsidiaries in the circumstance where, but for the application of the pronouncements, such award would have been classified as equity) and (iv) unless Parent elects otherwise, the policies, rules and regulations of the SEC, the American Institute of Certified Public Accountants, the International Accounting Standards Board or any other applicable regulatory or governing body applicable only to public companies. If Parent notifies the Administrative Agent that Parent is required to report under IFRS or has elected to do so through an early adoption policy, "GAAP" shall mean international financial reporting standards pursuant to IFRS (provided thereafter, Parent cannot elect to report under GAAP).

(b) Notwithstanding anything to the contrary herein, but subject to Sections 1.04(d), (e) and (g), all financial ratios and tests (including the Total Leverage Ratio, the First Lien Leverage Ratio, the Secured Leverage Ratio, the Interest Coverage Ratio and the amount of Consolidated Total Assets, Consolidated Net Income and Consolidated Adjusted EBITDA) contained in this Agreement that are calculated with respect to any Test Period during which any Subject Transaction occurs shall be calculated with respect to such Test Period and such Subject Transaction on a Pro Forma Basis. Further, if since the beginning of any such Test Period and on or prior to the date of any required calculation of any financial ratio or test (x) any Subject Transaction has occurred or (y) any Person that subsequently became a Restricted Subsidiary or was merged, amalgamated or consolidated with or into Parent or any of its Restricted Subsidiaries since the beginning of such Test Period has consummated any Subject Transaction, then, in each case, any applicable financial ratio or test shall be calculated on a Pro Forma Basis for such Test Period as if such Subject Transaction had occurred at the beginning of the applicable Test Period (or, in the case of Consolidated Total Assets (or with respect to any determination pertaining to the balance sheet, including the acquisition of Cash and Cash Equivalents), as of the last day of such Test Period), it being understood, for the avoidance of doubt, that solely for purposes of calculating (x) quarterly compliance with Section 6.15(a) and (y) the First Lien Leverage Ratio for purposes of the definition of "Commitment Fee Rate", in each case, the date of the required calculation shall be the last day of the Test Period, and no Subject Transaction occurring thereafter shall be taken into account.

(c) [Reserved].

(d) For purposes of determining the permissibility of any action, change, transaction or event that by the terms of the Loan Documents requires a calculation of any financial ratio or financial test (including the Total Leverage Ratio, the First Lien Leverage Ratio, the Secured Leverage Ratio, the Interest Coverage Ratio and the amount of Consolidated Adjusted EBITDA, Consolidated Net Income or Consolidated Total Assets), subject to the succeeding clause (e), such financial ratio or test shall be calculated at the time such action is taken, such change is made, such transaction is consummated or such event occurs, as the case may be, and no Default or Event of Default shall be deemed to have occurred solely as a result of a change in such financial ratio or financial test occurring after the time such action is taken, such change is made, such transaction is consummated or such event occurs, as the case may be.

(e) Notwithstanding anything to the contrary herein (including in connection with any calculation made on a Pro Forma Basis), if the terms of this Agreement require (i) compliance with any financial ratio or financial test (including, without limitation, any First Lien Leverage Ratio test, any Secured Leverage Ratio test, any Total Leverage Ratio test and/or any Interest Coverage Ratio test) and/or any cap expressed as a percentage of Consolidated Total Assets, Consolidated Net Income or Consolidated Adjusted EBITDA, (ii) accuracy of any representation or warranty and/or the absence of a

Default or Event of Default (or any type of default or event of default) or (iii) compliance with any basket, as a condition to (A) the consummation of any transaction (including in connection with any acquisition or other Investment or the assumption or incurrence of Indebtedness), (B) the making of any Restricted Payment and/or (C) the making of any Restricted Debt Payment, the determination of whether the relevant condition is satisfied may be made, at the election of Parent, (1) in the case of any acquisition or other Investment or any Disposition and any transaction related thereto, at the time of (or on the basis of the financial statements for the most recently ended Test Period at the time of) either (x) the execution of the definitive agreement with respect to such acquisition, Investment or Disposition (or, solely in connection with an acquisition, consolidation or business combination to which the United Kingdom City Code on Takeovers and Mergers applies, the date on which a "Rule 2.7 Announcement" of a firm intention to make an offer is made) or the establishment of a commitment with respect to such Indebtedness or (y) the consummation of such acquisition, Investment or Disposition, (2) in the case of any Restricted Payment, at the time of (or on the basis of the financial statements for the most recently ended Test Period at the time of) (x) the declaration of such Restricted Payment or (y) the making of such Restricted Payment and (3) in the case of any Restricted Debt Payment, at the time of (or on the basis of the financial statements for the most recently ended Test Period at the time of) (x) delivery of notice with respect to such Restricted Debt Payment or (y) the making of such Restricted Debt Payment, in each case, after giving effect to the relevant acquisition, Restricted Payment and/or Restricted Debt Payment or other transaction on a Pro Forma Basis (including, in each case, giving effect to the relevant transaction, any relevant Indebtedness (including the intended use of proceeds thereof) and, at the election of Parent, giving pro forma effect to other prospective "limited conditionality" acquisitions or other Investments for which definitive agreements have been executed, and no Default or Event of Default shall be deemed to have occurred solely as a result of an adverse change in such financial ratio or test occurring after the time such election is made (but any subsequent improvement in the applicable financial ratio or test may be utilized by Parent or any Restricted Subsidiary). For the avoidance of doubt, if Parent shall have elected the option set forth in clause (x) of any of the preceding clauses (1), (2) or (3) in respect of any transaction, then Parent shall be permitted to consummate such transaction even if any applicable test or condition shall cease to be satisfied subsequent to Parent's election of such option. The provisions of this paragraph (e) shall also apply in respect of the incurrence of any Incremental Facility.

(f) [Reserved].

(g) Notwithstanding anything to the contrary herein, unless Parent otherwise notifies the Administrative Agent, with respect to any amount incurred under any Revolving Facility or any other permitted revolving facility or any amounts incurred or transactions entered into (or consummated) in reliance on a provision of this Agreement that does not require compliance with a financial ratio or financial test (including any First Lien Leverage Ratio test, any Secured Leverage Ratio test, any Total Leverage Ratio test and/or any Interest Coverage Ratio test) (any such amounts, the "Fixed Amounts") substantially concurrently with any amounts incurred or transactions entered into (or consummated) in reliance on a provision of this Agreement that requires compliance with a financial ratio or financial test (including any First Lien Leverage Ratio test, any Secured Leverage Ratio test, any Total Leverage Ratio test and/or any Interest Coverage Ratio test) (any such amounts, the "Incurrence-Based Amounts"), it is understood and agreed that the incurrence of the Incurrence-Based Amount shall be calculated first without giving effect to any Fixed Amount but giving full pro forma effect to the use of proceeds of such Fixed Amount and the related transactions and (B) the incurrence of the Fixed Amount shall be calculated thereafter. Unless Parent elects otherwise, Parent or the applicable Restricted Subsidiary shall be deemed to have used amounts under an Incurrence-Based Amount then available to Parent or the applicable Restricted Subsidiary prior to utilization of any amount under a Fixed Amount then available to Parent or the applicable Restricted Subsidiary.

(h) The principal amount of any non-interest bearing Indebtedness or other discount security constituting Indebtedness at any date shall be the principal amount thereof that would be shown on a balance sheet of Parent dated such date prepared in accordance with GAAP.

(i) The increase in any amount secured by any Lien by virtue of the accrual of interest, the accretion of accreted value, the payment of interest or a dividend in the form of additional Indebtedness, amortization of original issue discount and/or any increase in the amount of Indebtedness outstanding solely as a result of any fluctuation in the exchange rate of any applicable currency will not be deemed to be the granting of a Lien for purposes of Section 6.02.

(j) For purposes of determining compliance with Section 6.01 or Section 6.02, if any Indebtedness or Lien is incurred in reliance on a basket measured by reference to a percentage of Consolidated Adjusted EBITDA, and any refinancing or replacement thereof would cause the percentage of Consolidated Adjusted EBITDA to be exceeded if calculated based on the Consolidated Adjusted EBITDA on the date of such refinancing or replacement, such percentage of Consolidated Adjusted EBITDA will be deemed not to be exceeded so long as the principal amount of such refinancing or replacement Indebtedness or other obligation does not exceed an amount sufficient to repay the principal amount of such Indebtedness or other obligation being refinanced or replaced, except by an amount equal to (x) unpaid accrued interest, penalties and premiums (including tender, prepayment or repayment premiums) thereon plus underwriting discounts and other customary fees, commissions and expenses (including upfront fees, original issue discount or initial yield payment) incurred in connection with such refinancing or replacement, (y) any existing commitments unutilized thereunder and (z) additional amounts permitted to be incurred under Section 6.01.

(k) Any financial ratios required to be maintained by Parent or any of its Restricted Subsidiaries pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

Section 1.05. Effectuation of Transactions. Each of the representations and warranties contained in this Agreement (and all corresponding definitions) is made after giving effect to the Transactions, unless the context otherwise requires.

Section 1.06. Timing of Payment and Performance. When payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or required on a day which is not a Business Day, the date of such payment (other than as described in the definition of "Interest Period") or performance shall extend to the immediately succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension.

Section 1.07. Times of Day. Unless otherwise specified, all references herein to times of day shall be references to New York City time (daylight or standard, as applicable).

Section 1.08. Currency Equivalents Generally.

(a) Notwithstanding anything to the contrary in clause (b) below, for purposes of any determination under Article 5, Article 6 (other than Section 6.15 and the calculation of compliance with any financial ratio for purposes of taking any action hereunder) or Article 7 with respect to the amount of any Indebtedness, Lien, Restricted Payment, Restricted Debt Payment, Investment, Disposition, Affiliate transaction or other transaction, event or circumstance, or any determination under any other provision of

this Agreement (any of the foregoing, a "**relevant transaction**"), in a currency other than Dollars, (i) the Dollar equivalent amount of a relevant transaction in a currency other than Dollars shall be calculated based on the rate of exchange quoted by the Bloomberg Foreign Exchange Rates & World Currencies Page (or any successor page thereto, or in the event such rate does not appear on any Bloomberg Page, by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and Parent) for such foreign currency, as in effect at 11:00 a.m. (London time) on the date of such relevant transaction (which, in the case of any Restricted Payment, Restricted Debt Payment, Investment, Disposition or incurrence of Indebtedness, shall be determined as set forth in Section 1.04(e)); provided, that if any Indebtedness is incurred (and, if applicable, associated Lien granted) to refinance or replace other Indebtedness denominated in a currency other than Dollars, and the relevant refinancing or replacement would cause the applicable Dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing or replacement, such Dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing or replacement Indebtedness (and, if applicable, associated Lien granted) does not exceed an amount sufficient to repay the principal amount of such Indebtedness being refinanced or replaced, except by an amount equal to (x) unpaid accrued interest, penalties and premiums (including tender premiums) thereon *plus* underwriting discounts and other customary fees, commissions and expenses (including upfront fees, original issue discount or initial yield payment) incurred in connection with such refinancing or replacement, (y) any existing commitments unutilized thereunder and (z) additional amounts permitted to be incurred under Section 6.01 and (ii) for the avoidance of doubt, no Default or Event of Default shall be deemed to have occurred solely as a result of a change in the rate of currency exchange occurring after the time of any relevant transaction so long as such relevant transaction was permitted at the time incurred, made, acquired, committed, entered or declared as set forth in clause (i). For purposes of Section 6.15 and the calculation of compliance with any financial ratio for purposes of taking any action hereunder (including for purposes of calculating compliance with the Incremental Cap) on any relevant date of determination, amounts denominated in currencies other than Dollars shall be translated into Dollars at the applicable currency exchange rate used in preparing the financial statements delivered pursuant to Sections 5.01(a) or (b) (or, prior to the first such delivery, the financial statements referred to in Section 3.04), as applicable, for the relevant Test Period. Notwithstanding the foregoing or anything to the contrary herein, to the extent that Parent would not be in compliance with Section 6.15(a) if any Indebtedness denominated in a currency other than Dollars were to be translated into Dollars on the basis of the applicable currency exchange rate used in preparing the financial statements delivered pursuant to Section 5.01(a) or (b), as applicable, for the relevant Test Period, but would be in compliance with Section 6.15(a) if such Indebtedness that is denominated in a currency other than in Dollars were instead translated into Dollars on the basis of the average relevant currency exchange rates over such Test Period (taking into account the currency translation effects, determined in accordance with GAAP, of Hedge Agreements permitted hereunder in respect of currency exchange risks with respect to the applicable currency in effect on the date of determination for the Dollar equivalent amount of such Indebtedness), then, solely for purposes of compliance with Section 6.15(a), the First Lien Leverage Ratio as of the last day of such Test Period shall be calculated on the basis of such average relevant currency exchange rates.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify with Parent's consent to appropriately reflect a change in currency of any country and any relevant market convention or practice relating to such change in currency.

Section 1.09. Cashless Rollovers. Notwithstanding anything to the contrary contained in this Agreement or in any other Loan Document, to the extent that any Lender extends the maturity date of, or replaces, renews or refinances, any of its then-existing Loans with Incremental Loans, Replacement Term Loans, Loans in connection with any Replacement Revolving Facility, Extended Term Loans, Extended

Revolving Loans or loans incurred under a new credit facility, in each case, to the extent such extension, replacement, renewal or refinancing is effected by means of a "cashless roll" by such Lender, such extension, replacement, renewal or refinancing shall be deemed to comply with any requirement hereunder or any other Loan Document that such payment be made "in Dollars", "in immediately available funds", "in Cash" or any other similar requirement.

Section 1.10. Alternative Currencies.

(a) Any Revolving Borrower may from time to time request that LIBO Rate Revolving Loans be made and/or Letters of Credit be issued in a currency other than Dollars; provided that such requested currency is a lawful currency (other than Dollars) that is readily available and freely transferable and convertible into Dollars. In the case of any such request with respect to the making of LIBO Rate Revolving Loans, such request shall be subject to the approval of the Revolving Lenders of the applicable Class that will provide such Loans, and in the case of any such request with respect to the issuance of Letters of Credit, such request shall be subject to the approval of the applicable Issuing Banks, in each case as set forth in Section 9.02(b).

(b) Any such request shall be made to the Administrative Agent not later than 11:00 a.m., ten Business Days prior to the date of the desired Credit Extension (or such other time or date as may be agreed by the Administrative Agent and, in the case of any such request pertaining to Letters of Credit, the relevant Issuing Bank, in its or their sole discretion). In the case of any such request pertaining to LIBO Rate Revolving Loans, the Administrative Agent shall promptly notify each Revolving Lender thereof; and in the case of any such request pertaining to Letters of Credit, the Administrative Agent shall promptly notify the relevant Issuing Bank thereof. Each applicable Revolving Lender (in the case of any such request pertaining to LIBO Rate Revolving Loans) or each relevant Issuing Bank (in the case of a request pertaining to Letters of Credit) shall notify the Administrative Agent, not later than 11:00 a.m., five Business Days after receipt of such request whether it consents, in its sole discretion, to the making of LIBO Rate Revolving Loans or the issuance of Letters of Credit, as the case may be, in such requested currency.

(c) Any failure by any Revolving Lender or the relevant Issuing Bank, as the case may be, to respond to such request within the time period specified in the preceding paragraph shall be deemed to be a refusal by such Revolving Lender or Issuing Bank, as the case may be, to permit LIBO Rate Revolving Loans to be made or Letters of Credit to be issued, as applicable, in such requested currency. If the Administrative Agent and all the applicable Revolving Lenders that would be obligated to make Credit Extensions denominated in such requested currency consent to making Revolving Loans or issuing Letters of Credit in such requested currency, the Administrative Agent shall so notify Parent, and Parent, the Borrower and the Revolving Lenders shall amend this Agreement and the other Loan Documents as necessary to accommodate such Borrowings and/or Letters of Credit (as applicable), in accordance with Section 9.02(b). If the Administrative Agent fails to obtain the requisite consent to any request for an additional currency under this Section 1.10, the Administrative Agent shall promptly so notify Parent. Notwithstanding anything to the contrary herein, if the LIBO Rate is not applicable or available with respect to any Revolving Loan denominated in any Alternate Currency, the components of the interest rate applicable to such Revolving Loan shall be separately agreed by Parent and the Administrative Agent in accordance with Section 9.02(b).

Section 1.11. Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (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 and acquired on the first date of its existence by the holders of its Capital Stock at such time.

ARTICLE 2 THE CREDITS

Section 2.01. Commitments.

(a) Subject to the terms and conditions set forth herein, (i) each Daylight Term Lender agrees to make Daylight Term Loans to the Borrower on the Closing Date in Dollars in a principal amount not to exceed its Daylight Term Loan Commitment, (ii) each Initial Term Lender severally, and not jointly, agrees to make Initial Term Loans to the Borrower on the Closing Date in Dollars in a principal amount not to exceed its Initial Term Loan Commitment and (iii) each Revolving Lender severally, and not jointly, agrees to make Initial Revolving Loans to the Revolving Borrower in Dollars at any time and from time to time during the Availability Period; provided that, (i) the Outstanding Amount of Initial Revolving Loans to be made on the Closing Date shall not exceed $25,000,000 *plus* the sum of any amounts drawn and used for (A) working capital needs in the ordinary course of business and (B) the payment of Transaction Costs and (ii) after giving effect to any Borrowing of Initial Revolving Loans, the Outstanding Amount of such Initial Revolving Lender's Initial Revolving Credit Exposure shall not exceed such Initial Revolving Lender's Initial Revolving Credit Commitment. Within the foregoing limits and subject to the terms, conditions and limitations set forth herein, the Borrower may borrow, pay or prepay and re-borrow Revolving Loans. Amounts paid or prepaid in respect of the Daylight Term Loans and the Initial Term Loans may not be re-borrowed.

(b) Subject to the terms and conditions of this Agreement and any applicable Refinancing Amendment, Extension Amendment or Incremental Facility Amendment, each Lender with an Additional Commitment of a given Class, severally and not jointly, agrees to make Additional Loans of such Class to the Borrower, which Loans shall not exceed for any such Lender at the time of any incurrence thereof the Additional Commitment of such Class of such Lender as set forth in the applicable Refinancing Amendment, Extension Amendment or Incremental Facility Amendment.

Section 2.02. Loans and Borrowings.

(a) Each Loan shall be made as part of a Borrowing consisting of Loans of the same Class and Type made by the Lenders ratably in accordance with their respective Commitments of the applicable Class.

(b) Subject to Section 2.01 and Section 2.14, each Borrowing shall be comprised entirely of ABR Loans or LIBO Rate Loans as the Borrower may request in accordance herewith. Each Lender at its option may make any LIBO Rate Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that (i) any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement, (ii) such LIBO Rate Loan shall be deemed to have been made and held by such Lender, and the obligation of the Borrower to repay such LIBO Rate Loan shall nevertheless be to such Lender for the account of such domestic or foreign branch or Affiliate of such Lender and (iii) in exercising such option, such Lender shall use reasonable efforts to minimize increased costs to the Borrower resulting therefrom (which obligation of such Lender shall not require it to take, or refrain from taking, actions that it determines would result in increased costs for which it will not be compensated hereunder or that it otherwise determines would be disadvantageous to it and in the event of such request for costs for which compensation is provided under this Agreement, the provisions of Section 2.15 shall apply); provided, further, that no such domestic or foreign branch or Affiliate of such Lender shall be entitled to any greater indemnification under Section 2.17 with respect to such LIBO Rate Loan than that to which the

applicable Lender was entitled on the date on which such Loan was made (except in connection with any indemnification entitlement arising as a result of a Change in Law after the date on which such Loan was made).

(c) At the commencement of each Interest Period for any LIBO Rate Borrowing, such Borrowing shall comprise an aggregate principal amount that is an integral multiple of $100,000 and not less than $500,000. Each ABR Borrowing when made shall be in a minimum principal amount of $100,000; provided that an ABR Revolving Loan Borrowing may be made in a lesser aggregate amount that is (x) equal to the entire aggregate Unused Revolving Credit Commitments or (y) required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.05(e). Borrowings of more than one Type and Class may be outstanding at the same time; provided that there shall not at any time be more than a total of 15 different Interest Periods in effect for LIBO Rate Borrowings at any time outstanding (or such greater number of different Interest Periods as the Administrative Agent may agree from time to time).

(d) Notwithstanding any other provision of this Agreement, the Borrower shall not, nor shall it be entitled to, request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date applicable to such Loans.

Section 2.03. Requests for Borrowings. Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of LIBO Rate Loans shall be made upon irrevocable notice by the Borrower to the Administrative Agent (provided that, subject to Section 2.16, notices in respect of Borrowings (x) to be made on the Closing Date may be conditioned on the completion of the IPO and (y) to be made in connection with any acquisition, Investment or irrevocable repayment, redemption or refinancing of Indebtedness may be conditioned on the closing of such acquisition, Investment or irrevocable repayment, redemption or refinancing of Indebtedness). Each such notice must be in writing or by telephone (and promptly confirmed in writing) and must be received by the Administrative Agent (by hand delivery, fax or other electronic transmission (including ".pdf" or ".tif")) not later than (i) 1:00 p.m. three Business Days prior to the requested day of any Borrowing of, conversion to or continuation of LIBO Rate Loans or conversion to ABR Loans (or 11:00 a.m. one Business Day prior in the case of any Borrowing of LIBO Rate Loans to be made on the Closing Date) and (ii) 12:00 p.m. on the requested date of any Borrowing of or conversion to ABR Loans (or, in each case, such later time as shall be reasonably acceptable to the Administrative Agent); provided, however, that if the Borrower wishes to request LIBO Rate Loans having an Interest Period of other than one, two, three or six months in duration as provided in the definition of "Interest Period," (A) the applicable notice must be received by the Administrative Agent not later than 1:00 p.m. four Business Days prior to the requested date of such Borrowing, conversion or continuation (or such later time as is reasonably acceptable to the Administrative Agent), whereupon the Administrative Agent shall give prompt notice to the appropriate Lenders of such request and determine whether the requested Interest Period is acceptable to them and (B) not later than 11:00 a.m. three Business Days before the requested date of such Borrowing, conversion or continuation, the Administrative Agent shall notify the Borrower whether or not the requested Interest Period has been consented to by all the appropriate Lenders. Each written notice (or confirmation of telephonic notice) with respect to a Borrowing by the Borrower pursuant to this Section 2.03 shall be delivered to the Administrative Agent in the form of a written Borrowing Request, appropriately completed and signed by a Responsible Officer of the Borrower. Each such written Borrowing Request shall specify the following information in compliance with Section 2.02:

(a) the Class of such Borrowing;

(b) the aggregate amount of the requested Borrowing;

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

(d) whether such Borrowing is to be an ABR Borrowing or a LIBO Rate Borrowing;

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

(f) the location and number of the Borrower's account or any other designated account(s) to which funds are to be disbursed (the "**Funding Account**").

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested LIBO Rate Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. The Administrative Agent shall advise each Lender of the details thereof and of the amount of the Loan to be made as part of the requested Borrowing (x) in the case of any ABR Borrowing, on the same Business Day of receipt of a Borrowing Request in accordance with this Section 2.03 or (y) in the case of any LIBO Rate Borrowing, no later than one Business Day following receipt of a Borrowing Request in accordance with this Section 2.03.

Section 2.04. [Reserved].

Section 2.05. Letters of Credit.

(a) General.

Subject to the terms and conditions set forth herein, (i) each Issuing Bank agrees, in each case in reliance upon the agreements of the other Revolving Lenders set forth in this Section 2.05, (A) from time to time on any Business Day during the period from the Closing Date to the fifth Business Day prior to the Latest Revolving Credit Maturity Date, upon the request of any Revolving Borrower, to issue Letters of Credit for the account of Parent and/or any of its Restricted Subsidiaries and to amend or renew Letters of Credit previously issued by it, in accordance with Section 2.05(b) and (B) to honor drafts under the Letters of Credit and (ii) the Revolving Lenders severally agree to participate in the Letters of Credit issued pursuant to Section 2.05(d). Notwithstanding anything to the contrary contained in this Agreement, (x) no Issuing Bank shall be required to issue any Letter of Credit if, immediately after giving effect thereto, the Stated Amount of all Letters of Credit issued by such Issuing Bank and its Affiliates and outstanding would exceed its LC Commitment and (y) no Issuing Bank other than HSBC Bank USA, N.A. and Citibank, N.A. shall be required to issue Commercial Letters of Credit without its consent.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions.

To request the issuance of a Letter of Credit, the Borrower shall deliver to the applicable Issuing Bank and the Administrative Agent, at least three Business Days in advance of the requested date of issuance (or such shorter period as is acceptable to the applicable Issuing Bank), a request to issue a Letter of Credit, which shall specify that it is being issued under this Agreement, in the form of Exhibit K attached hereto. To request an amendment, extension or renewal of a Letter of Credit (other than any automatic extension of a Letter of Credit permitted under Section 2.05(c)), the Borrower shall submit such a request to the applicable Issuing Bank selected by the Borrower (with a copy to the Administrative Agent) at least three Business Days in advance of the requested date of amendment, extension or renewal (or such shorter period as is acceptable to the applicable Issuing Bank), identifying the Letter of Credit to be amended, extended or renewed, and specifying the proposed date (which shall be a Business Day) and other details of the amendment, extension or renewal. Requests for the issuance, amendment, extension or

renewal of any Letter of Credit must be accompanied by such other information reasonably requested by the applicable Issuing Bank as shall be necessary to issue, amend, extend or renew such Letter of Credit. If requested by the applicable Issuing Bank in connection with any request for any Letter of Credit, the Borrower also shall submit a letter of credit application on such Issuing Bank's standard form. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, the applicable Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control. No Letter of Credit shall be required to be issued, amended, extended or renewed unless (and on the issuance, amendment, extension or renewal of each Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, extension or renewal, (i) the Initial Revolving Credit Exposure would not exceed the aggregate amount of the Initial Revolving Credit Commitment and (ii) the aggregate LC Exposure would not exceed the LC Sublimit. In addition, no Issuing Bank shall be required to issue, amend, extend or renew any Letter of Credit if the expiration date of such Letter of Credit extends beyond five Business Days prior to the Maturity Date applicable to the Revolving Credit Commitments of any Class unless (1) the aggregate amount of the LC Exposure attributable to Letters of Credit expiring after such Maturity Date does not exceed the aggregate amount of the Revolving Credit Commitments then in effect that are scheduled to remain in effect after such Maturity Date, (2) all Revolving Lenders and such Issuing Bank shall have consented to such expiry date, (3) the Borrower shall have caused such Letter of Credit to be backstopped by a "back to back" letter of credit reasonably satisfactory to such Issuing Bank or (4) the Borrower shall have caused such Letter of Credit to be Cash collateralized in accordance with Section 2.05(j), in the case of clause (3) or (4) on or before the date that such Letter of Credit is issued, amended, extended or renewed beyond such date. Promptly after the delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the applicable Issuing Bank will also deliver to the Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment. Upon receipt of such Letter of Credit or amendment, the Administrative Agent shall notify the Revolving Lenders, in writing, of such Letter of Credit or amendment, and if so requested by a Revolving Lender, the Administrative Agent will provide such Revolving Lender with copies of such Letter of Credit or amendment.

(c) Expiration Date.

(i) Except as set forth in Section 2.05(b), no Standby Letter of Credit shall expire later than the earlier of (A) the date that is one year after the date of the issuance of such Standby Letter of Credit (or such later date to which the relevant Issuing Bank may agree) and (B) five Business Days prior to the Latest Revolving Credit Maturity Date; provided that, any Standby Letter of Credit may provide for the automatic extension thereof for any number of additional periods each of up to one year in duration (none of which, in any event, shall extend beyond the date referred to in the preceding clause (B) unless the Stated Amount thereof is Cash collateralized in accordance with Section 2.05(j) or backstopped on or before the date that such Letter of Credit is extended beyond the date referred to in clause (B) above pursuant to arrangements reasonably satisfactory to the relevant Issuing Bank).

(ii) Except as set forth in Section 2.05(b), no Commercial Letter of Credit shall expire later than the earlier to occur of (A) one year after the issuance thereof (or such later date to which the relevant Issuing Bank may agree) and (B) five Business Days prior to the Latest Revolving Credit Maturity Date.

(d) Participations.

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

(e) Reimbursement.

(i) If the applicable Issuing Bank makes any LC Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent (or, in the case of Commercial Letters of Credit, the applicable Issuing Bank) an amount equal to the amount of such LC Disbursement not later than 2:00 p.m. on the second Business Day immediately following the date on which the Borrower receives notice under paragraph (g) of this Section of such LC Disbursement (or, if such notice is received less than two hours prior to the deadline for requesting ABR Borrowings pursuant to Section 2.03, on the third Business Day immediately following the date on which the Borrower receives such notice); provided that the Borrower may, without satisfying the conditions to borrowing set forth herein, request in accordance with Section 2.03 that such payment be financed with an ABR Revolving Loan and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting Revolving Loan Borrowing. If the Borrower fails to make such payment when due, the Administrative Agent shall notify each Revolving Lender of the applicable LC Disbursement, the payment then due from the Borrower in respect thereof and such Revolving Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Revolving Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the Borrower, in the same manner as provided in Section 2.07 with respect to Loans made by such Revolving Lender (and Section 2.07 shall apply, *mutatis mutandis*, to the payment obligations of the Revolving Lenders), and the Administrative Agent shall promptly pay to the applicable Issuing Bank the amounts so received by it from the Revolving Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to this paragraph, the Administrative Agent shall distribute such payment to the applicable Issuing Bank or, to the extent that Revolving Lenders have made payments pursuant to this paragraph to reimburse such Issuing Bank, then to such Revolving Lenders and such Issuing Bank as their interests may appear.

(ii) If any Revolving Lender fails to make available to the Administrative Agent for the account of the applicable Issuing Bank any amount required to be paid by such Revolving Lender pursuant to the foregoing provisions of this Section 2.05(e) by the time specified therein, such Issuing Bank shall be entitled to recover from such Revolving Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately

available to such Issuing Bank at a rate per annum equal to the greater of the Federal Funds Effective Rate from time to time in effect and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. A certificate of the applicable Issuing Bank submitted to any Revolving Lender (through the Administrative Agent) with respect to any amounts owing under this clause (ii) shall be conclusive absent manifest error.

(f) Obligations Absolute. The Borrower's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable and shall be performed in accordance with the terms of this Agreement and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein or herein, (ii) any draft or other document presented under any 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 applicable Issuing Bank under any Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Neither the Administrative Agent, the Revolving Lenders nor any Issuing Bank, nor any of their respective Related Parties shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of such Issuing Bank; provided that the foregoing shall not be construed to excuse such Issuing Bank from liability to the Borrower to the extent of any direct damages suffered by the Borrower that are caused by such Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence, bad faith or willful misconduct on the part of the applicable Issuing Bank (as determined by a final and non-appealable judgment of a court of competent jurisdiction), such Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of any Letter of Credit, the applicable Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The applicable Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. Such Issuing Bank shall promptly notify the Administrative Agent and the Borrower by electronic means or by telephone (confirmed by facsimile) of such demand for payment and whether such Issuing Bank has made or will make an LC Disbursement thereunder; provided that no failure to give or delay in giving such notice shall relieve the Borrower of its obligation to reimburse such Issuing Bank and the Revolving Lenders with respect to any such LC Disbursement within the time period prescribed in Section 2.05(e).

(h) Interim Interest. If any Issuing Bank makes any LC Disbursement, then, unless the Borrower reimburses such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement (or the date on which such LC Disbursement is reimbursed with the proceeds of Loans, as applicable), at the rate per

annum then applicable to Revolving Loans that are ABR Loans of the same Class; provided that if the Borrower fails to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.13(d) shall apply. Interest accrued pursuant to this paragraph shall be for the account of the applicable Issuing Bank, except that interest accrued on and after the date of payment by any Revolving Lender pursuant to paragraph (e) of this Section to reimburse such Issuing Bank shall be for the account of such Revolving Lender to the extent of such payment.

(i) Replacement of an Issuing Bank or Addition of New Issuing Banks. Any Issuing Bank may be replaced with the consent of the Administrative Agent (not to be unreasonably withheld or delayed), the Borrower and the successor Issuing Bank at any time by written agreement among the Borrower, the Administrative Agent and the successor Issuing Bank. The Administrative Agent shall notify the Revolving Lenders of any such replacement of an Issuing Bank. At the time any such replacement becomes effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.12(b)(ii). From and after the effective date of any such replacement, (i) the successor Issuing Bank shall have all the rights and obligations of the replaced Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of any Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit after such replacement. The Borrower may, at any time and from time to time with the consent of the Administrative Agent (which consent shall not be unreasonably withheld or delayed) and the relevant Revolving Lender, designate one or more additional Revolving Lenders to act as an issuing bank under the terms of this Agreement, with an LC Commitment to be specified in such designation. Any Revolving Lender designated as an issuing bank pursuant to this paragraph (i) shall be deemed to be an "Issuing Bank" (in addition to being a Revolving Lender) in respect of Letters of Credit issued or to be issued by such Revolving Lender, and, with respect to such Letters of Credit, such term shall thereafter apply to any other Issuing Bank and such Revolving Lender.

(j) Cash Collateralization.

(i) If any Event of Default exists, then on the Business Day that the Borrower receives notice from the Administrative Agent at the direction of the Required Lenders demanding the deposit of Cash collateral pursuant to this paragraph (j), upon such demand, the Borrower shall deposit, in an account designated by the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Revolving Lenders (the "**LC Collateral Account**"), an amount in Cash equal to 101% of the LC Exposure as of such date (minus the amount then on deposit in the LC Collateral Account); provided that the obligation to deposit such Cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Borrower described in Section 7.01(f) or (g).

(ii) Any such deposit under clause (i) above shall be held by the Administrative Agent as collateral for the payment and performance of the Secured Obligations in accordance with the provisions of this paragraph (j). The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account, and the Borrower hereby grants the Administrative Agent, for the benefit of the Secured Parties, a First Priority security interest in the LC Collateral Account. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the applicable Issuing Bank for LC Disbursements for which

it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the LC Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of the Required Revolving Lenders) be applied to satisfy other Secured Obligations. If the Borrower is required to provide an amount of Cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (together with all interest and other earnings with respect thereto, to the extent not applied as aforesaid) shall be returned to the Borrower promptly but in no event later than three Business Days after such Event of Default has been cured or waived.

(k) Existing Letters of Credit. Each Existing Letter of Credit shall be deemed a Letter of Credit issued hereunder for all purposes under this Agreement without need for any further action by the Borrower or any other Person.

Section 2.06. [Reserved].

Section 2.07. Funding of Borrowings.

(a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 2:00 p.m. to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders in an amount equal to such Lender's respective Applicable Percentage. The Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to the Funding Account or as otherwise directed by the Borrower; provided that Revolving Loans made to finance the reimbursement of any LC Disbursement as provided in Section 2.05(e) shall be remitted by the Administrative Agent to the applicable Issuing Bank.

(b) Unless the Administrative Agent has received notice from any Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section 2.07 and may, in reliance upon such assumption, make available a corresponding amount. In such event, if any Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand (without duplication) such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, the interest rate applicable to the Loans comprising such Borrowing at such time. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing and the Borrower's obligation to repay the Administrative Agent such corresponding amount pursuant to this Section 2.07(b) shall cease. If the Borrower pays such amount to the Administrative Agent, the amount so paid shall constitute a repayment of such Borrowing by such amount. Nothing herein shall be deemed to relieve any Lender from its obligation to fulfill its Commitment or to prejudice any rights which the Administrative Agent or the Borrower or any other Loan Party may have against any Lender as a result of any default by such Lender hereunder.

Section 2.08. Type; Interest Elections.

(a) Each Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a LIBO Rate Borrowing, shall have an initial Interest Period as

specified in such Borrowing Request. Thereafter, the Borrower may elect to convert any Borrowing to a Borrowing of a different Type or to continue such Borrowing and, in the case of a LIBO Rate Borrowing, may elect Interest Periods therefor, all as provided in this Section 2.08. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders based upon their Applicable Percentages and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent of such election in writing (by hand delivery, fax or other electronic transmission (including ".pdf" or ".tif")) by the time that a Borrowing Request would be required under Section 2.03 if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election.

(c) Each written Interest Election Request shall specify the following information in compliance with Section 2.02:

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

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

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

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

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

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

(e) If the Borrower fails to deliver a timely Interest Election Request with respect to a LIBO Rate Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, such Borrowing shall be converted at the end of such Interest Period to a LIBO Rate Borrowing with an Interest Period of one month. Notwithstanding any contrary provision hereof, if an Event of Default exists and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower, then, so long as such Event of Default exists (i) no outstanding Borrowing may be converted to or continued as a LIBO Rate Borrowing and (ii) unless repaid, each LIBO Rate Borrowing shall be converted to an ABR Borrowing at the end of the then-current Interest Period applicable thereto.

Section 2.09. Termination and Reduction of Commitments.

(a) Unless previously terminated, (i) the Daylight Term Loan Commitments on the Closing Date shall automatically terminate upon the making of the Daylight Term Loans on the Closing Date, (ii) the Initial Term Loan Commitments on the Closing Date shall automatically terminate upon the making of the Initial Term Loans on the Closing Date, (iii) the Initial Revolving Credit Commitments shall automatically terminate on the Initial Revolving Credit Maturity Date, (iv) the Additional Term Loan Commitments of any Class shall automatically terminate upon the making of the Additional Term Loans of such Class and, if any such Additional Term Loan Commitment is not drawn on the date that such Additional Term Loan Commitment is required to be drawn pursuant to the applicable Refinancing Amendment, Extension Amendment or Incremental Facility Amendment, the undrawn amount thereof shall terminate unless otherwise provided in the applicable Refinancing Amendment, Extension Amendment or Incremental Facility Amendment and (v) the Additional Revolving Credit Commitments of any Class shall automatically terminate on the Maturity Date specified therefor in the applicable Refinancing Amendment, Extension Amendment or Incremental Facility Amendment.

(b) Upon delivering the notice required by Section 2.09(c), Parent or any Revolving Borrower may at any time terminate or from time to time reduce the Revolving Credit Commitments of any Class; provided that (i) each reduction of the Revolving Credit Commitments of any Class shall be in an amount that is an integral multiple of $1,000,000 and (ii) neither Parent not any Revolving Borrower shall terminate or reduce the Revolving Credit Commitments of any Class if, after giving effect to such termination or reduction, as applicable, and any concurrent prepayment of Revolving Loans, the aggregate amount of the Revolving Credit Exposure attributable to the Revolving Credit Commitments of such Class would exceed the aggregate amount of the Revolving Credit Commitments of such Class; provided that, after the establishment of any Additional Revolving Credit Commitment, any such termination or reduction of the Revolving Credit Commitments of any Class shall be subject to the provisions set forth in Section 2.22, 2.23 and/or 9.02, as applicable.

(c) Parent or the applicable Revolving Borrower shall notify the Administrative Agent of any election to terminate or reduce any Class or Classes of Revolving Credit Commitments under paragraph (b) of this Section 2.09 not later than 1:00 p.m. on or prior to the effective date of such termination or reduction (or not later than 1:00 p.m., three Business Days prior to the effective date of such termination or reduction, in the case of a termination or reduction involving a prepayment of LIBO Rate Borrowings (or such later date to which the Administrative Agent may agree)), specifying such election and the effective date thereof. Promptly following receipt of any such notice, the Administrative Agent shall advise the Revolving Lenders of each applicable Class or Classes of the contents thereof. Each notice delivered pursuant to this Section 2.09 shall be irrevocable; provided that any such notice may state that such notice is conditioned upon the effectiveness of other transactions, in which case such notice may be revoked or its effectiveness deferred by Parent or the applicable Revolving Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of any Revolving Credit Commitment pursuant to this Section 2.09 shall be permanent. Upon any reduction of any Revolving Credit Commitment, the Revolving Credit Commitment of each Revolving Lender of the relevant Class shall be reduced by such Revolving Lender's Applicable Percentage of such reduction amount.

Section 2.10. Repayment of Loans; Evidence of Debt.

(a) The Term Loan Borrowers jointly and severally hereby unconditionally promise to repay the outstanding principal amount of the Initial Term Loans to the Administrative Agent for the account of each applicable Term Lender (i) on the last Business Day of each March, June, September and December prior to the Initial Term Loan Maturity Date (each such date being referred to as a "**Loan Installment Date**"), commencing on the last Business Day of June 2020, in each case in an amount equal to 0.25% of the original principal amount of the Initial Term Loans (as such payments may be reduced

from time to time as a result of the application of prepayments in accordance with Section 2.11 and purchases or assignments in accordance with Section 9.05(g) or increased as a result of any increase in the amount of such Initial Term Loans pursuant to Section 2.22(a)) and (ii) on the Initial Term Loan Maturity Date, in an amount equal to the remainder of the principal amount of the Initial Term Loans outstanding on such date, together in each case with accrued and unpaid interest on the principal amount to be paid to but excluding the date of such payment. The Term Loan Borrowers shall repay the Additional Term Loans of any Class in such scheduled amortization installments and on such date or dates as shall be specified therefor in the applicable Refinancing Amendment, Extension Amendment or Incremental Facility Amendment (as such payments may be reduced from time to time as a result of the application of prepayments in accordance with Section 2.11 and purchases or assignments in accordance with Section 9.05(g) or increased as a result of any increase in the amount of such Additional Term Loans pursuant to Section 2.22(a)).

(b) The Revolving Borrowers jointly and severally hereby unconditionally promise to pay (i) to the Administrative Agent for the account of each Initial Revolving Lender, the then-unpaid principal amount of the Initial Revolving Loans of such Lender on the Initial Revolving Credit Maturity Date and (ii) to the Administrative Agent for the account of each Additional Revolving Lender, the then-unpaid principal amount of each Additional Revolving Loan of such Additional Revolving Lender on the Maturity Date applicable thereto. On the Initial Revolving Credit Maturity Date, the Borrowers shall make payment in full in Cash of all accrued and unpaid fees and all reimbursable expenses and other Obligations with respect to the Initial Revolving Facility then due, together with accrued and unpaid interest (if any) thereon.

(c) If the Maturity Date in respect of any Class of Revolving Credit Commitments occurs prior to the expiry date of any Letter of Credit, then (i) if one or more other Classes of Revolving Credit Commitments in respect of which the Maturity Date shall not have so occurred are then in effect (or will automatically be in effect upon the occurrence of such Maturity Date) and at such time the conditions precedent specified in Sections 4.02(b) and (c) would be satisfied, such Letters of Credit shall automatically be deemed to have been issued (including for purposes of the obligations of the Revolving Lenders to purchase participations therein and to make Revolving Loans and payments in respect thereof pursuant to Section 2.05(d) and Section 2.05(e)) under (and ratably participated in by Revolving Lenders pursuant to) the non-terminating or new Classes of Revolving Credit Commitments up to an aggregate amount not to exceed the aggregate principal amount of the unutilized Revolving Credit Commitments continuing at such time (it being understood that no partial face amount of any Letter of Credit may be so reallocated) (in each case, after giving effect to any repayments of Revolving Loans) and (ii) to the extent not reallocated pursuant to immediately preceding clause (i) and unless provisions reasonably satisfactory to the applicable Issuing Bank for the treatment of such Letter of Credit as a letter of credit under a successor credit facility have been agreed upon, the Borrower shall, on or prior to the applicable Maturity Date, (x) cause such Letter of Credit to be replaced and returned to the applicable Issuing Bank undrawn and marked “cancelled”, (y) cause such Letter of Credit to be backstopped by a “back to back” letter of credit reasonably satisfactory to the applicable Issuing Bank or (z) Cash collateralize such Letter of Credit in accordance with Section 2.05(j). Commencing with the Maturity Date of any Class of Revolving Credit Commitments, the Letter of Credit Sublimit shall be in an amount agreed solely with the applicable Issuing Bank; provided that, at the request of the Borrower, the Letter of Credit Sublimit immediately following such Maturity Date shall be no less than the Letter of Credit Sublimit immediately prior to such Maturity Date multiplied by a fraction, the numerator of which is the aggregate amount of the Revolving Credit Commitments immediately following such Maturity Date and the denominator of which is the aggregate amount of the Revolving Credit Commitments immediately prior to such Maturity Date.

(d) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by

such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

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

(f) The entries made in the accounts maintained pursuant to paragraphs (d) or (e) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein (absent manifest error); provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any manifest error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement; provided, further, that in the event of any inconsistency between the accounts maintained by the Administrative Agent pursuant to paragraph (e) of this Section 2.10 and any Lender's records, the accounts of the Administrative Agent shall govern.

(g) Any Lender may request that Loans made by it be evidenced by a Promissory Note. In such event, the Borrower shall prepare, execute and deliver to such Lender a Promissory Note payable to such Lender and its registered permitted assigns; it being understood and agreed that such Lender (and/or its applicable permitted assign) shall be required to return such Promissory Note to the Borrower in accordance with Section 9.05(b)(iii) and upon the occurrence of the Termination Date (or as promptly thereafter as practicable). If any Lender loses the original copy of its Promissory Note, it shall execute an affidavit of loss containing a customary indemnification provision that is reasonably satisfactory to the Borrower. The obligation of each Lender to execute an affidavit of loss containing a customary indemnification provision that is reasonably satisfactory to the Borrower shall survive the Termination Date.

(h) The Term Loan Borrowers jointly and severally hereby unconditionally promise to repay the outstanding principal amount of the Daylight Term Loans to the Daylight Term Lender on the Daylight Term Loan Maturity Date, in an amount equal to the principal amount of the Daylight Term Loans outstanding on such date, together in each case with accrued and unpaid interest on such principal amount, to but excluding the date of such payment.

Section 2.11. Prepayment of Loans.

(a) Optional Prepayments.

(i) Upon prior notice in accordance with paragraph (a)(iii) of this Section, the Term Loan Borrowers shall have the right at any time and from time to time to prepay any Borrowing of Term Loans of one or more Classes (such Class or Classes to be selected by the applicable Term Borrower in its sole discretion) and/or Daylight Term Loans in whole or in part without premium or penalty (but subject to (A) in the case of Initial Term Loans only, Section 2.12(f) and (B) other than with respect to any Daylight Term Loans and to the extent otherwise applicable, Section 2.16). Each such prepayment shall be paid to the Lenders in accordance with their respective Applicable Percentages of the relevant Class.

(ii) Upon prior notice in accordance with paragraph (a)(iii) of this Section 2.11, the Revolving Borrowers shall have the right at any time and from time to time to prepay any Borrowing of Revolving Loans of any Class, including any Additional Revolving Loans, in

whole or in part without premium or penalty (but subject to Section 2.16). Prepayments made pursuant to this Section 2.11(a)(ii), first, shall be applied ratably to outstanding LC Disbursements and second, shall be applied ratably to the outstanding Revolving Loans, including any Additional Revolving Loans of the relevant Class.

(iii) Any Borrower shall notify the Administrative Agent by telephone (confirmed in writing) of any prepayment under this Section 2.11(a) (A) in the case of a prepayment of a LIBO Rate Borrowing, not later than 1:00 p.m. three Business Days before the date of prepayment or (B) in the case of a prepayment of an ABR Borrowing, not later than 1:00 p.m. on the date of prepayment. Each such notice shall be irrevocable (except as set forth in the proviso to this sentence) and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; provided that a notice of prepayment may state that such notice is conditioned upon the effectiveness of other transactions or other conditional events, in which case such notice may be revoked or its effectiveness deferred by the applicable Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied until such condition is satisfied; provided, further, that no such notice shall be required for any prepayment of Daylight Term Loans. Promptly following receipt of any such notice relating to any Borrowing, the Administrative Agent shall advise the relevant Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount at least equal to the amount that would be permitted in the case of a Borrowing of the same Type and Class as provided in Section 2.02(c) or such lesser amount that is then outstanding with respect to such Borrowing being repaid. Each prepayment of Term Loans shall be applied to the Class or Classes of Term Loans specified by the applicable Borrower in the applicable prepayment notice, and each prepayment of Term Loans of such Class or Classes made pursuant to this Section 2.11(a) shall be applied against the remaining scheduled installments of principal due in respect of the Term Loans of such Class or Classes in the manner specified by such Borrower or, if not so specified on or prior to the date of such optional prepayment, in direct order of maturity.

(b) Mandatory Prepayments.

(i) No later than the tenth Business Day after the date on which the financial statements with respect to each Fiscal Year of Parent are delivered pursuant to Section 5.01(b), commencing with the Fiscal Year ending December 31, 2021, the Borrower shall prepay Subject Loans in accordance with clause (vi) below in an aggregate principal amount (the "**ECF Prepayment Amount**") equal to (A) the Required Excess Cash Flow Percentage of Excess Cash Flow of Parent and its Restricted Subsidiaries for the Excess Cash Flow Period then most recently ended (this clause (A), the "**Base ECF Prepayment Amount**"), minus (B) at the option of Parent, to the extent occurring during such Excess Cash Flow Period (or occurring after such Excess Cash Flow Period and prior to the date of the applicable Excess Cash Flow payment), and without duplication (including duplication of any amounts deducted in any prior Excess Cash Flow Period), the following (collectively, the "**ECF Deductions**"):

(1) the aggregate principal amount of any Initial Term Loans, Additional Term Loans or Revolving Loans prepaid pursuant to Section 2.11(a) (or contractually committed to be prepaid, with an increase in the applicable future period to the extent so deducted but not actually prepaid);

(2) the aggregate principal amount of any Incremental Equivalent Debt, Replacement Debt and/or any other Indebtedness permitted to be incurred pursuant to Section 6.01 (to the extent secured by Liens on the

Collateral that are pari passu with the Liens on the Collateral securing the Credit Facilities) voluntarily prepaid, repurchased, redeemed or otherwise retired (or contractually committed to be prepaid, repurchased, redeemed or otherwise retired);

(3) the amount of any reduction in the outstanding amount of any Term Loans, Incremental Equivalent Debt, Replacement Debt and/or any other Indebtedness permitted to be incurred pursuant to Section 6.01 (to the extent secured by Liens on the Collateral that are pari passu with the Liens on the Collateral securing the Credit Facilities) resulting from any purchase or assignment made in accordance with Section 9.05(g) of this Agreement (including in connection with any Dutch Auction) (with respect to Term Loans) and any equivalent provisions with respect to any Incremental Equivalent Debt, Replacement Debt and/or such other Indebtedness, but only to the extent of the actual price paid in connection with such purchase or assignment;

(4) all Cash payments in respect of Capital Expenditures and all Cash payments made to acquire IP Rights;

(5) Cash payments by Parent and its Restricted Subsidiaries made (or committed or budgeted) in respect of long-term liabilities (including for purposes of clarity, the current portion of such long-term liabilities) of Parent and its Restricted Subsidiaries other than Indebtedness, except to the extent such Cash payments were deducted in the calculation of Consolidated Net Income or Consolidated Adjusted EBITDA for such period;

(6) Cash payments in respect of any Investment (including acquisitions) permitted by Section 6.06 or otherwise consented to by the Required Lenders (other than Investments (x) in Cash or Cash Equivalents or (y) in Parent or any Restricted Subsidiary) and/or any Restricted Payment permitted by Section 6.04(a);

(7) the aggregate consideration (i) required to be paid in Cash by Parent or its Restricted Subsidiaries pursuant to binding contracts entered into prior to or during such period relating to Capital Expenditures, acquisitions or other Investments permitted by Section 6.06 and/or Restricted Payments described in clause (6) above and/or (ii) otherwise committed or budgeted to be made in connection with Capital Expenditures, acquisitions or other Investments and/or Restricted Payments described in clause (6) above (clauses (i) and (ii) of this clause (7), the "**Scheduled Consideration**") (other than Investments in (x) Cash and Cash Equivalents or (y) Parent or any Restricted Subsidiary) to be consummated or made during the period of four consecutive Fiscal Quarters of Parent following the end of such period; provided that to the extent the aggregate amount actually utilized to finance such Capital Expenditures, acquisitions, Investments or Restricted Payments during such subsequent period of four consecutive Fiscal Quarters is less than the Scheduled Consideration, the amount of the resulting shortfall shall be added to the calculation of Excess Cash Flow at the end of such subsequent period of four consecutive Fiscal Quarters;

(8) Cash expenditures in respect of any Hedge Agreement to the extent not otherwise deducted in the calculation of Consolidated Net Income or Consolidated Adjusted EBITDA; and

(9) the aggregate amount of expenditures actually made by Parent and/or any Restricted Subsidiary in Cash (including any expenditure for the payment of fees or other Charges (or any amortization thereof for such period) in connection with any Disposition, incurrence or repayment of Indebtedness, issuance of Capital Stock, refinancing transaction, amendment or modification of any debt instrument, including this Agreement, and including, in each case, any such transaction consummated prior to, on or after the Closing Date, and Charges incurred in connection therewith, whether or not such transaction was successful), to the extent that such expenditures were not expensed;

in the case of each of clauses (1)-(9), (I) excluding any such payments, prepayments and expenditures made during such Fiscal Year that reduced the amount required to be prepaid pursuant to this Section 2.11(b)(i) in the prior Fiscal Year, (II) in the case of any prepayment of revolving Indebtedness, to the extent accompanied by a permanent reduction in the relevant commitment and (III) to the extent that such payments, prepayments and expenditures were not financed with the proceeds of other long-term funded Indebtedness (other than revolving Indebtedness) of Parent or its Restricted Subsidiaries; provided that (x) no prepayment under this Section 2.11(b)(i) shall be required unless the principal amount of Subject Loans required to be prepaid exceeds $10,000,000 (and, in such case, only such amount in excess of $10,000,000 shall be required to be prepaid) and (y) to the extent the aggregate ECF Deductions for any Excess Cash Flow Period exceeds the Base ECF Prepayment Amount for such period, Parent may carry forward such excess as additional ECF Deductions to any subsequent Excess Cash Flow Period; provided, further, that if at the time that any such prepayment would be required, Parent (or any Restricted Subsidiary) is also required to prepay, repurchase or offer to prepay or repurchase any Indebtedness that is secured on a *pari passu* basis (without regard to the control of remedies) with any Secured Obligation pursuant to the terms of the documentation governing such Indebtedness (such Indebtedness required to be so prepaid or repurchased or offered to be so prepaid or repurchased, "**Other Applicable Indebtedness**") with any portion of the ECF Prepayment Amount, then Parent may apply such portion of the ECF Prepayment Amount on a pro rata basis (determined on the basis of the aggregate outstanding principal amount of the Subject Loans and the relevant Other Applicable Indebtedness (or accreted amount if such Other Applicable Indebtedness is issued with original issue discount) at such time) to the prepayment of the Subject Loans and to the prepayment of the relevant Other Applicable Indebtedness, and the amount of prepayment of the Subject Loans that would have otherwise been required pursuant to this Section 2.11(b)(i) shall be reduced accordingly; it being understood that (1) the portion of such ECF Prepayment Amount allocated to the Other Applicable Indebtedness shall not exceed the portion of such ECF Prepayment Amount required to be allocated to the Other Applicable Indebtedness pursuant to the terms thereof, and the remaining amount, if any, of such ECF Prepayment Amount shall be allocated to the Subject Loans in accordance with the terms hereof and (2) to the extent the holders of the Other Applicable Indebtedness decline to have such Indebtedness prepaid or repurchased, the declined amount shall promptly (and in any event within ten Business Days after the date of such rejection) be applied to prepay the Subject Loans in accordance with the terms hereof.

(ii) No later than (x) the fifth Business Day following the receipt of Net Proceeds in respect of any Prepayment Asset Sale or Net Insurance/Condemnation Proceeds, or (y) in the event that at the time of such Prepayment Asset Sale or event giving rise to Net Insurance/Condemnation Proceeds any Other Subject Indebtedness is outstanding, the earlier of (A) the 90th day following the receipt of Net Proceeds in respect of any Prepayment Asset Sale or

Net Insurance/Condemnation Proceeds, as applicable, and (B) the date on which Parent or any of its Subsidiaries uses any of such Net Proceeds to prepay or repurchase Other Subject Indebtedness pursuant to an asset sale offer made in accordance with the provisions of the indenture or other agreement governing the terms thereof, in each case, in excess of $50,000,000 in any Fiscal Year, the Borrower shall apply an amount equal to 100% of the Net Proceeds or Net Insurance/Condemnation Proceeds received with respect thereto in excess of such thresholds (collectively, the "**Subject Proceeds**"; and any such Net Proceeds or Net Insurance/Condemnation Proceeds that do not constitute Subject Proceeds, the "**Excluded Proceeds**") to prepay the outstanding principal amount of Subject Loans in accordance with clause (vi) below; provided that (A) if prior to the date any such prepayment is required to be made, Parent notifies the Administrative Agent of its intention to reinvest the Subject Proceeds in assets used or useful in the business of the Borrower or any of its Restricted Subsidiaries (including Permitted Acquisitions and other Investments not prohibited by this Agreement (other than a direct Investment in Cash or Cash Equivalents)), then the Borrower shall not be required to make a mandatory prepayment under this clause (ii) in respect of the Subject Proceeds to the extent (x) the Subject Proceeds are so reinvested within 18 months following receipt thereof or (y) Parent or any of its subsidiaries has contractually committed to so reinvest the Subject Proceeds during such 18-month period and the Subject Proceeds are so reinvested within six months after the expiration of such 18-month period; provided, however, that if the Subject Proceeds have not been so reinvested prior to the expiration of the applicable period, Parent shall promptly prepay the outstanding principal amount of Subject Loans with the Subject Proceeds not so reinvested as set forth above (without regard to the immediately preceding proviso) (provided that Parent may elect to deem certain expenditures that would otherwise be permissible reinvestments but that occurred prior to the receipt of the applicable Net Proceeds or Net Insurance/Condemnation Proceeds (as applicable) as having been reinvested in accordance with the provisions of this Section 2.11(b)(ii), but only to the extent such deemed expenditure shall have been made no earlier than (x) in the case of Net Proceeds, the earlier of the execution of a definitive agreement with respect to such Prepayment Asset Sale or the consummation of the applicable Disposition and (y) in the case of Net Insurance/Condemnation Proceeds, the occurrence of the event in respect of which such Net Insurance/Condemnation Proceeds were received) and (B) if, at the time that any such prepayment would be required hereunder, Parent or any of its Restricted Subsidiaries is required to prepay, repay or repurchase (or offer to prepay, repay or repurchase) any Other Applicable Indebtedness, then the relevant Person shall reduce the amount of the Subject Proceeds to be applied pursuant to this this Section 2.11(b)(ii) in respect of the Subject Loans by an amount equal to the product of (1) the amount of such Net Proceeds and (2) a fraction, the numerator of which is the outstanding principal amount of such Other Applicable Indebtedness and the denominator of which is the sum of the outstanding principal amount of such Other Applicable Indebtedness and the outstanding principal amount of the Subject Loans; it being understood that the portion of the Subject Proceeds allocated to the Other Applicable Indebtedness shall not exceed the amount of the Subject Proceeds required to be allocated to the Other Applicable Indebtedness pursuant to the terms thereof, and the amount of the prepayment of the Subject Loans that would have otherwise been required pursuant to this Section 2.11(b)(ii) shall be reduced accordingly.

(iii) In the event that Parent or any of its Restricted Subsidiaries receives Net Proceeds from the issuance or incurrence of Indebtedness by Parent or any of its Restricted Subsidiaries (other than with respect to Indebtedness permitted under Section 6.01, except to the extent the relevant Indebtedness constitutes Refinancing Indebtedness incurred to refinance all or a portion of the Initial Term Loans pursuant to Section 6.01(p) or Replacement Term Loans incurred to refinance Initial Term Loans in accordance with the requirements of Section 9.02(b)), the Borrower shall, substantially simultaneously with (and in any event not later than two

Business Days thereafter) the receipt of such Net Proceeds by Parent or its applicable Restricted Subsidiary, apply an amount equal to 100% of such Net Proceeds to prepay the outstanding principal amount of the relevant Initial Term Loans in accordance with clause (vi) below.

(iv) Notwithstanding anything in this Section 2.11(b) to the contrary, (A) Parent shall not be required to prepay any amount that would otherwise be required to be paid pursuant to Sections 2.11(b)(i), (ii) or (iii) above to the extent that the relevant Excess Cash Flow is generated by any Foreign Subsidiary, the relevant Prepayment Asset Sale is consummated by any Foreign Subsidiary, the relevant Net Insurance/Condemnation Proceeds are received by any Foreign Subsidiary or the relevant Indebtedness is incurred by any Foreign Subsidiary (except to the extent the relevant Indebtedness constitutes Refinancing Indebtedness incurred by any Foreign Subsidiary to refinance all or a portion of the Initial Term Loans or Additional Term Loans pursuant to Section 6.01(p) or Replacement Term Loans incurred to refinance Initial Term Loans or Additional Term Loans in accordance with the requirements of Section 9.02(b)), as the case may be, for so long as Parent determines in good faith that the repatriation to Parent of any such amount would be prohibited or delayed (beyond the time period during which such prepayment is otherwise required to be made pursuant to Section 2.11(b)(i), (ii) or (iii) above) under any Requirement of Law or conflict with the fiduciary duties of such Foreign Subsidiary's directors, or result in, or could reasonably be expected to result in, a material risk of personal or criminal liability for any officer, director, employee, manager, member of management or consultant of such Foreign Subsidiary (including on account of financial assistance, corporate benefit, thin capitalization, capital maintenance or similar considerations); it being understood and agreed that (i) solely within 365 days following the end of the applicable Excess Cash Flow Period, the event giving rise to the relevant Subject Proceeds or the receipt of proceeds from the respective incurrence of Indebtedness, Parent shall use commercially reasonable efforts required by applicable Requirements of Law to permit such repatriation and (ii) if the repatriation of the relevant affected Excess Cash Flow, Subject Proceeds or Indebtedness proceeds, as the case may be, is permitted under the applicable Requirement of Law and, to the extent applicable, would no longer conflict with the fiduciary duties of such director, or result in, or be reasonably expected to result in, a material risk of personal or criminal liability for the Persons described above, in either case, within 365 days following the end of the applicable Excess Cash Flow Period, the event giving rise to the relevant Subject Proceeds or the receipt of Net Proceeds in respect of any such Indebtedness, the relevant Foreign Subsidiary will promptly repatriate the relevant Excess Cash Flow, Subject Proceeds or Net Proceeds in respect of Indebtedness, as the case may be, and the repatriated Excess Cash Flow, Subject Proceeds or Net Proceeds in respect of Indebtedness, as the case may be, will be promptly (and in any event not later than two Business Days after such repatriation) applied (net of additional Taxes payable or reserved against such Excess Cash Flow, such Subject Proceeds or such Net Proceeds in respect of Indebtedness, as a result thereof, in each case by any Loan Party, such Loan Party's subsidiaries, and any Affiliates or indirect or direct equity owners of the foregoing) to the repayment of Subject Loans pursuant to this Section 2.11(b) to the extent required herein (without regard to this clause (iv), (B) the Borrower shall not be required to prepay any amount that would otherwise be required to be paid pursuant to Sections 2.11(b)(i) or (iii) to the extent that the relevant Excess Cash Flow is generated by any joint venture or the relevant Subject Proceeds or Net Proceeds in respect of Indebtedness are received by any joint venture for so long as Parent determines in good faith that the distribution to Parent of such Excess Cash Flow, Subject Proceeds or Net Proceeds in respect of Indebtedness would be prohibited under the Organizational Documents (or any relevant shareholders' or similar agreement) governing such joint venture; it being understood that if the relevant prohibition ceases to exist within the 365-day period following the end of the applicable Excess Cash Flow Period, the event giving rise to the relevant Subject Proceeds or the receipt of Net Proceeds in respect of any such Indebtedness, the relevant joint venture will promptly distribute

the relevant Excess Cash Flow, the relevant Subject Proceeds or the relevant Net Proceeds in respect of Indebtedness, as the case may be, and the distributed Excess Cash Flow, Subject Proceeds or Net Proceeds in respect of Indebtedness, as the case may be, will be promptly (and in any event not later than ten Business Days after such distribution) applied (net of additional Taxes payable or reserved against as a result thereof) to the repayment of Subject Loans pursuant to this Section 2.11(b) to the extent required herein (without regard to this clause (iv)) and (C) if Parent determines in good faith that the repatriation to Parent of any amounts required to mandatorily prepay Subject Loans pursuant to Sections 2.11(b)(i), (ii) or (iii) above would result in material and adverse tax consequences for any Loan Party or any of such Loan Party's subsidiaries, taking into account any foreign tax credit or benefit actually realized in connection with such repatriation (such amount, a "**Restricted Amount**"), as determined by Parent in good faith, the amount the Borrower shall be required to mandatorily prepay pursuant to Sections 2.11(b)(i), (ii) or (iii) above, as applicable, shall be reduced by the Restricted Amount; provided that to the extent that the repatriation of any Subject Proceeds, Excess Cash Flow or the Net Proceeds in respect of any such Indebtedness from the relevant Foreign Subsidiary would no longer have a material and adverse tax consequence within the 365-day period following the event giving rise to the relevant Subject Proceeds, the receipt of Net Proceeds in respect of any such Indebtedness or the end of the applicable Excess Cash Flow Period, as the case may be, an amount equal to the Subject Proceeds, Excess Cash Flow or the Net Proceeds in respect of any such Indebtedness, as applicable, not previously applied pursuant to this clause (C), shall be promptly applied to the repayment of Subject Loans pursuant to Section 2.11(b) as otherwise required above (without regard to this clause (iv));

(v) Each Lender may elect, by notice to the Administrative Agent at or prior to the time and in the manner specified by the Administrative Agent, prior to any prepayment of Initial Term Loans and Additional Term Loans required to be made by the Borrower pursuant to this Section 2.11(b), to decline all (but not a portion) of its Applicable Percentage of such prepayment (such declined amounts, the "**Declined Proceeds**"), which Declined Proceeds may be retained by the Borrower and used for any legal purpose permitted (or not prohibited) hereunder, including to increase the Available Amount; provided, further, that, for the avoidance of doubt, no Lender may reject any prepayment made under Section 2.11(b)(iii) above to the extent that such prepayment is made with the Net Proceeds of (w) Refinancing Indebtedness (including Replacement Debt) incurred to refinance all or a portion of the Initial Term Loans or Additional Term Loans pursuant to Section 6.01(p), (x) Incremental Term Loans incurred to refinance all or a portion of the Term Loans pursuant to Section 2.22, (y) Replacement Term Loans incurred to refinance all or a portion of the Term Loans in accordance with the requirements of Section 9.02(b) and/or (z) Incremental Equivalent Debt incurred to refinance all or a portion of the Term Loans in accordance with the requirements of Section 6.01(z). If any Lender fails to deliver a notice to the Administrative Agent of its election to decline receipt of its Applicable Percentage of any mandatory prepayment within the time frame specified by the Administrative Agent, such failure will be deemed to constitute an acceptance of such Lender's Applicable Percentage of the total amount of such mandatory prepayment of Initial Term Loans and Additional Term Loans.

(vi) Except as may otherwise be set forth in any amendment to this Agreement in connection with any Additional Term Loan, (A) each prepayment of Initial Term Loans and Additional Term Loans pursuant to this Section 2.11(b) shall be applied ratably to each Class of Term Loans (based upon the then outstanding principal amounts of the respective Classes of Term Loans) (provided that any prepayment constituting (w) Refinancing Indebtedness (including Replacement Debt) incurred to refinance all or a portion of the Initial Term Loans or Additional Term Loans pursuant to Section 6.01(p), (x) Incremental Loans incurred to refinance all or a portion of the Term Loans pursuant to Section 2.22, (y) Replacement

Term Loans incurred to refinance all or a portion of the Term Loans in accordance with the requirements of Section 9.02(c) and/or (z) Incremental Equivalent Debt incurred to refinance all or a portion of the Term Loans in accordance with the requirements of Section 6.01(z) shall, in each case be applied solely to each applicable Class of refinanced or replaced Term Loans), (B) with respect to each Class of Initial Term Loans and Additional Term Loans, all accepted prepayments under Section 2.11(b)(i), (ii) or (iii) shall be applied against the remaining scheduled installments of principal due in respect of the Initial Term Loans and Additional Term Loans as directed by the Borrower (or, in the absence of direction from the Borrower, to the remaining scheduled amortization payments in respect of the Initial Term Loans and Additional Term Loans in direct order of maturity), and (C) each such prepayment shall be paid to the Term Lenders in accordance with their respective Applicable Percentages. The amount of such mandatory prepayments shall be applied on a pro rata basis to the then outstanding Initial Term Loans and Additional Term Loans being prepaid irrespective of whether such outstanding Loans are ABR Loans or LIBO Rate Loans; provided that the amount thereof shall be applied first to ABR Loans to the full extent thereof before application to the LIBO Rate Loans in a manner that minimizes the amount of any payments required to be made by the Borrower pursuant to Section 2.16. Any prepayment of Initial Term Loans made on or prior to the date that is six months after the Closing Date pursuant to Section 2.11(b)(iii) as part of a Repricing Transaction shall be accompanied by the fee set forth in Section 2.12(f).

(vii) In the event that the Revolving Credit Exposure of any Class exceeds the amount of the Revolving Credit Commitment of such Class then in effect, the Revolving Borrowers shall, within three Business Days of receipt of notice from the Administrative Agent, prepay the Revolving Loans and/or reduce LC Exposure in an aggregate amount sufficient to reduce such Revolving Credit Exposure as of the date of such payment to an amount not to exceed the Revolving Credit Commitment of such Class then in effect by taking any of the following actions as it shall determine at its sole discretion: (A) prepaying Revolving Loans or (B) with respect to any excess LC Exposure, depositing Cash in the LC Collateral Account or "backstopping" or replacing the relevant Letters of Credit, in each case, in an amount equal to 100% of such excess LC Exposure (minus any amount then on deposit in the LC Collateral Account).

(viii) Notwithstanding any of the other provisions of this Section 2.11, so long as no Event of Default shall have occurred and be continuing, if any prepayment of LIBO Rate Loans is required to be made under this Section 2.11(b) prior to the last day of the Interest Period therefor, Borrower may, in its sole discretion, deposit the amount of any such prepayment otherwise required to be made hereunder with the Administrative Agent until the last day of such Interest Period, at which time the Administrative Agent shall be authorized (without any further action by or notice to or from Parent or any other Loan Party) to apply such amount to the prepayment of such Loans in accordance with this Section 2.11(b). Upon the occurrence and during the continuance of any Event of Default, the Administrative Agent shall also be authorized (without any further action by or notice to or from Parent or any other Loan Party) to apply such amount to the prepayment of the outstanding Loans in accordance with this Section 2.11(b).

(ix) At the time of each prepayment required under Section 2.11(b)(i), (ii) or (iii), Parent shall deliver to the Administrative Agent a certificate signed by a Responsible Officer of Parent setting forth in reasonable detail the calculation of the amount of such prepayment; provided, however, that in the case of any prepayment that may be declined at the option of any Lender, Parent shall notify the Administrative Agent in writing of such prepayment not later than 1:00 p.m. three Business Days prior to the date of the prepayment. Each such certificate shall specify the Borrowings being prepaid and the principal amount of each Borrowing (or portion

thereof) to be prepaid. Prepayments shall be accompanied by accrued interest as required by Section 2.13. All prepayments of Borrowings under this Section 2.11(b) shall be subject to Section 2.16 and, except as set forth in the last sentence of clause (vi) above, shall otherwise be without premium or penalty.

Section 2.12. Fees.

(a) The Borrower agrees to pay to the Administrative Agent for the account of each Revolving Lender of any Class (other than any Defaulting Lender) a commitment fee, which shall accrue at a rate equal to the Commitment Fee Rate per annum applicable to the Revolving Credit Commitment of such Class on the average daily amount of the Unused Revolving Credit Commitment of such Class of such Revolving Lender during the period from and including the Closing Date to the date on which such Lender's Revolving Credit Commitment of such Class terminates. Accrued commitment fees shall be payable in arrears on the last Business Day of each March, June, September and December for the quarterly period then ended (commencing on the last Business Day of March 2020, but in the case of the payment made on such date, for the period from the Closing Date to such date) and on the date on which the Revolving Credit Commitments of the applicable Class terminate.

(b) The Borrower agrees to pay (i) to the Administrative Agent for the account of each Revolving Lender of any Class (other than any Defaulting Lender) a participation fee with respect to its participation in each Letter of Credit, which shall accrue at the Applicable Rate used to determine the interest rate applicable to LIBO Rate Revolving Loans on the daily face amount of such Lender's LC Exposure attributable to its Revolving Credit Commitment of such Class in respect of such Letter of Credit (excluding any portion thereof attributable to unreimbursed LC Disbursements), during the period from and including the Closing Date to the later of the date on which such Revolving Lender's Revolving Credit Commitment of such Class terminates and the date on which such Revolving Lender ceases to have any LC Exposure related to its Revolving Credit Commitment of such Class in respect of such Letter of Credit (including any such LC Exposure that may exist following the termination of such Revolving Credit Commitments) and (ii) to each Issuing Bank, for its own account, a fronting fee, in respect of each Letter of Credit issued by such Issuing Bank for the period from the date of issuance of such Letter of Credit to the expiration date of such Letter of Credit (or if terminated on an earlier date, to the termination date of such Letter of Credit), computed at a rate equal to the rate agreed by such Issuing Bank and the Borrower (but in any event not to exceed 0.125% per annum) of the daily face amount of such Letter of Credit, as well as such Issuing Bank's reasonable and customary fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees and fronting fees accrued to but excluding the last Business Day of each March, June, September and December shall be payable in arrears for the quarterly period then ended (or, in the case of the payment made on the last Business Day of March 2020, for the period from the Closing Date to such date) on the last Business Day of such calendar quarter; provided that all such fees shall be payable on the date on which the Revolving Credit Commitments of the applicable Class terminate, and any such fees accruing after the date on which the Revolving Credit Commitments of the applicable Class terminate shall be payable on demand. Any other fees payable to any Issuing Bank pursuant to this paragraph shall be payable within 30 days after receipt of a written demand (accompanied by reasonable back-up documentation) therefor.

(c) [Reserved].

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

(e) All fees payable hereunder shall be paid on the dates due, in Dollars and in immediately available funds, to the Administrative Agent (or to the applicable Issuing Bank, in the case of fees payable to it) for distribution, in the case of commitment fees and participation fees, to the Revolving Lenders. Fees paid shall not be refundable under any circumstances except as otherwise provided in the Fee Letter. Fees payable hereunder shall accrue through and including the last day of the month immediately preceding the applicable fee payment date.

(f) In the event that, on or prior to the date that is six months after the Closing Date, the Borrower (x) prepays, repays, refinances, substitutes or replaces any Initial Term Loans as part of a Repricing Transaction (including, for the avoidance of doubt, any prepayment made pursuant to Section 2.11(b)(iii) that constitutes a Repricing Transaction) or (y) effects any amendment, modification or waiver of, or consent under, this Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Initial Term Lenders, (I) in the case of clause (x), a premium of 1.00% of the aggregate principal amount of the Initial Term Loans so prepaid, repaid, refinanced, substituted or replaced and (II) in the case of clause (y), a fee equal to 1.00% of the aggregate principal amount of the Initial Term Loans that are the subject of such Repricing Transaction outstanding immediately prior to such amendment. If, on or prior to the date that is six months after the Closing Date, all or any portion of the Initial Term Loans held by any Term Lender are prepaid, repaid, refinanced, substituted or replaced pursuant to Section 2.19(b)(iv) as a result of, or in connection with, such Term Lender not agreeing or otherwise consenting to any waiver, consent, modification or amendment referred to in clause (y) above (or otherwise in connection with a Repricing Transaction), such prepayment, repayment, refinancing, substitution or replacement will be made at 101% of the principal amount so prepaid, repaid, refinanced, substituted or replaced. All such amounts shall be due and payable on the date of effectiveness of such Repricing Transaction.

(g) Unless otherwise indicated herein, all computations of fees shall be made on the basis of a 360-day year and shall be payable for the actual days elapsed (including the first day but excluding the last day). Each determination by the Administrative Agent of the amount of any fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

Section 2.13. Interest.

(a) The Loans (other than any Daylight Term Loans) comprising each ABR Borrowing shall bear interest at the Alternate Base Rate *plus* the Applicable Rate.

(b) The Loans (other than any Daylight Term Loans) comprising each LIBO Rate Borrowing shall bear interest at the LIBO Rate for the Interest Period in effect for such Borrowing *plus* the Applicable Rate.

(c) The Daylight Term Loans shall bear interest at the LIBO Rate for an Interest Period of one month, determined as of approximately 11:00 a.m. (London time) one (1) Business Day prior to the Closing Date.

(d) Notwithstanding the foregoing, during the existence and continuance of any Event of Default under Section 7.01(a), if any principal of or interest on any Loan or any LC Disbursement or any fee payable by the Borrower hereunder is not, in each case, paid or reimbursed when due, whether at stated maturity, upon acceleration or otherwise, the relevant overdue amount shall bear interest, to the fullest extent permitted by applicable Requirements of Law, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal or interest of any Loan or unreimbursed LC Disbursement, 2.00% plus the rate otherwise applicable to such Loan or LC Disbursement as provided in the preceding paragraphs of this Section 2.13 or Section 2.05(h) or (ii) in the

case of any other amount, 2.00% plus the rate applicable to Revolving Loans that are ABR Loans as provided in paragraph (a) of this Section 2.13; provided that no amount shall be payable pursuant to this Section 2.13(d) to any Defaulting Lender so long as such Lender is a Defaulting Lender; provided further that no amounts shall accrue pursuant to this Section 2.13(d) on any overdue amount, reimbursement obligation in respect of any LC Disbursement or other amount payable to a Defaulting Lender so long as such Lender is a Defaulting Lender.

(e) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and on the Maturity Date applicable to such Loan or, in the case of any Revolving Loan, upon the termination of the Revolving Credit Commitments of the applicable Class, as applicable; provided that (i) interest accrued pursuant to paragraph (d) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Revolving Loan prior to the termination of the relevant revolving Commitments), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any LIBO Rate Loan prior to the end of the current Interest Period therefor, accrued interest on such Initial Term Loan shall be payable on the effective date of such conversion. Accrued interest for any Class of Additional Loans shall be payable as set forth in the applicable Refinancing Amendment, Incremental Facility Amendment or Extension Amendment.

(f) All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed for ABR Loans shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate or LIBO Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error. Interest shall accrue on each Loan from the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid; provided that any Loan that is repaid on the same day on which it is made shall bear interest for one day.

Section 2.14. Alternate Rate of Interest.

(a) If at least two Business Days prior to the commencement of any Interest Period for a LIBO Rate Borrowing:

(i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the LIBO Rate (including because a Screen Rate is not available or published on a current basis) for such Interest Period; or

(ii) the Administrative Agent is advised by the Required Lenders that the LIBO Rate for the applicable currency and/or such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for such Interest Period;

then the Administrative Agent shall give written notice thereof to Parent and the Lenders by hand delivery, facsimile or other electronic transmission as promptly as practicable thereafter and, until the Administrative Agent notifies Parent and the Lenders that the circumstances giving rise to such notice no longer exist, which the Administrative Agent agrees promptly to do, (i) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a LIBO Rate Borrowing shall be ineffective and such Borrowing shall be converted to an ABR Borrowing and the utilization of the LIBO Rate component in determining the Alternate Base Rate shall be suspended on the last day of the Interest Period applicable thereto and (ii) if any Borrowing Request requests a LIBO Rate

Borrowing, then such Borrowing shall be made as an ABR Borrowing and the utilization of the LIBO Rate component in determining the Alternate Base Rate shall be suspended; provided, however, (x) that, in each case, Parent may revoke any Borrowing Request that is pending when such notice is received and (y) if the circumstances giving rise to such notice affect only Borrowings in certain currencies, then LIBO Rate Borrowings in unaffected currencies shall be permitted to the extent otherwise permitted by this Agreement.

(b) If at any time the Administrative Agent determines (which determination shall be conclusive absent manifest error) in consultation with Parent that either (i) the circumstances set forth in clause (a) of this Section 2.14 have arisen and such circumstances are unlikely to be temporary or (ii) the circumstances set forth in clause (a) of this Section 2.14 have not arisen but the supervisor for the administrator of the LIBO Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBO Rate shall no longer be used for determining interest rates for loans (in the case of either such clause (i) or (ii), an "Alternative Interest Rate Election Event"), the Administrative Agent and Parent shall endeavor to establish an alternate rate of interest to the LIBO Rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein) that gives due consideration to the then prevailing market convention for determining a rate of interest for leveraged syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest (the "Successor Rate") and such other related changes to this Agreement as may be applicable, as mutually determined in good faith by the Administrative Agent and Parent (but, for the avoidance of doubt, such related changes shall not include a reduction to the Applicable Rate). Notwithstanding anything to the contrary in Section 9.02, such amendment shall become effective without any further action or consent of any other party to this Agreement. To the extent an alternate rate of interest is adopted as contemplated hereby, the approved rate shall be applied in a manner consistent with prevailing market convention; provided, that, to the extent such prevailing market convention is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise mutually determined in good faith by the Administrative Agent and Parent. Notwithstanding the foregoing, if a Successor Rate has not otherwise been established pursuant to this clause (b), after Parent and the Administrative Agent have reached such a determination, Parent and the Required Lenders may select a different alternate rate as long as it is reasonably practicable for the Administrative Agent to administer such different rate and, upon not less than 15 Business Days' prior written notice to the Administrative Agent, the Administrative Agent, the Required Lenders and Parent shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable and, notwithstanding anything to the contrary in Section 9.02, such amendment shall become effective without any further action or consent of any other party to this Agreement. Until an alternate rate of interest shall be determined in accordance with this clause (b), (x) any request by Parent for a LIBO Rate Borrowing pursuant to Section 2.03 shall be deemed to be a request for an ABR Borrowing, (y) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a LIBO Rate Borrowing shall be ineffective and (z) any affected Borrowing shall be converted to an ABR Borrowing on the last day of the Interest Period applicable thereto.

Section 2.15. Increased Costs.

(a) If any Change in Law:

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

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

(iii) subjects 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;

and the result of any of the foregoing is to increase the cost to the relevant Lender of making or maintaining any LIBO Rate Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender or Issuing Bank of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender or Issuing Bank hereunder (whether of principal, interest or otherwise) in respect of any LIBO Rate Loan or Letter of Credit in an amount deemed by such Lender or Issuing Bank to be material, then, within 30 days after Parent's receipt of the certificate contemplated by paragraph (c) of this Section, the Borrower will pay to such Lender or Issuing Bank, as applicable, such additional amount or amounts as will compensate such Lender or Issuing Bank, as applicable, for such additional costs incurred or reduction suffered (except that this provision shall not apply to any Taxes, which shall be dealt with exclusively pursuant to Section 2.17); provided that the Borrower shall not be liable for such compensation if (x) the relevant Change in Law is publicly announced or occurs on a date prior to the date such Lender becomes a party hereto, (y) such Lender invokes Section 2.20 or (z) in the case of any request for reimbursement under clause (ii) above resulting from a market disruption, (A) the relevant circumstances do not generally affect the banking market or (B) the applicable request has not been made by Lenders constituting Required Lenders.

(b) If any Lender or Issuing Bank determines that any Change in Law regarding liquidity or capital requirements has or would have the effect of reducing the rate of return on such Lender's or Issuing Bank's capital or on the capital of such Lender's or Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such Issuing Bank, to a level below that which such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company could have achieved but for such Change in Law other than due to Taxes, which shall be dealt with exclusively pursuant to Section 2.17 (taking into consideration such Lender's or Issuing Bank's policies and the policies of such Lender's or such Issuing Bank's holding company with respect to capital adequacy), then within 30 days of receipt by Parent of the certificate contemplated by paragraph (c) of this Section the Borrower will pay to such Lender or such Issuing Bank, as applicable, such additional amount or amounts as will compensate such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company for any such reduction suffered.

(c) Any Lender or Issuing Bank requesting compensation under this Section 2.15 shall be required to deliver a certificate to Parent that (i) sets forth the amount or amounts necessary to compensate such Lender or Issuing Bank or its holding company, as applicable, as specified in paragraph (a) or (b) of this Section, (ii) sets forth in reasonable detail the manner in which such amount or amounts were determined and (iii) certifies that such Lender or Issuing Bank is generally charging such amounts to similarly situated borrowers, which certificate shall be conclusive absent manifest error.

(d) Failure or delay on the part of any Lender or Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or Issuing Bank's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or an Issuing Bank pursuant to this Section for any increased costs or reductions incurred more than 180 days prior to the date that such Lender or Issuing Bank notifies Parent of the Change in Law giving rise to such increased costs or reductions and of such Lender's or Issuing Bank's intention to claim

compensation therefor; provided, further, that if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

Section 2.16. Break Funding Payments. In the event of (a) the conversion or prepayment of any principal of any LIBO Rate Loan other than on the last day of an Interest Period applicable thereto (whether voluntary, mandatory, automatic, by reason of acceleration or otherwise), (b) the failure to borrow, convert, continue or prepay any LIBO Rate Loan on the date or in the amount specified in any notice delivered pursuant hereto or (c) the assignment of any LIBO Rate Loan of any Lender other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.19, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense incurred by such Lender that is attributable to such event (other than loss of profit). In the case of a LIBO Rate Loan, the loss, cost or expense of any Lender shall be the amount reasonably determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the LIBO Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan) over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for deposits in the applicable currency of a comparable amount and period from other banks in the Eurodollar market; it being understood that such loss, cost or expense shall in any case exclude any interest rate floor and all administrative, processing or similar fees. Any Lender requesting compensation under this Section 2.16 shall be required to deliver a certificate to Parent (i) setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section, the basis therefor and, in reasonable detail, the manner in which such amount or amounts were determined and (ii) certifying that such Lender is generally charging the relevant amounts to similarly situated borrowers , which certificate shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 30 days after receipt thereof.

Section 2.17. Taxes.

(a) Any and all payments by or on account of any obligation of any Loan Party hereunder shall be made free and clear of and without deduction for any Taxes, except as required by applicable Requirements of Law (as determined in the good faith discretion of the applicable Withholding Agent). If any applicable Requirement of Law requires the deduction or withholding of any Tax from any such payment, then (i) if such Tax is an Indemnified Tax, the amount payable by the applicable Loan Party shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.17(a)) the Administrative Agent, each Lender and each Issuing Bank (as applicable) receives an amount equal to the sum it would have received had no such deductions been made, (ii) such Withholding Agent shall make such deductions and (iii) such Withholding Agent shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with applicable Requirements of Law.

(b) In addition, the Loan Parties shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable Requirements of Law.

(c) Each Loan Party shall indemnify the Administrative Agent, each Lender and each Issuing Bank within 30 days after receipt of the certificate described in the succeeding sentence, for the full amount of any Indemnified Taxes payable or paid by the Administrative Agent, such Lender or Issuing Bank, as applicable, on or with respect to any payment by or any payment on account of any obligation of any Loan Party hereunder (including Indemnified Taxes imposed or asserted on or

attributable to amounts payable under this Section 2.17(c) but excluding any penalties or interest resulting from any action or inaction of the Administrative Agent or such Lender or Issuing Bank), 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 as to the 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.

(d) Each Lender and each Issuing Bank shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender or Issuing Bank (but only to the extent that no Loan Party has already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's or Issuing Bank's failure to comply with the provisions of Section 9.05(c) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender or Issuing Bank, 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 or Issuing Bank by the Administrative Agent shall be conclusive absent manifest error. Each Lender and Issuing Bank hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or Issuing Bank from any other source against any amount due to the Administrative Agent under this clause (d).

(e) As soon as practicable after any payment of Indemnified Taxes by any Loan Party to a Governmental Authority, 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 that is reasonably satisfactory to the Administrative Agent.

(f) 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 Parent and the Administrative Agent, at the time or times reasonably requested by Parent or the Administrative Agent, such properly completed and executed documentation as Parent or the Administrative Agent may reasonably request to permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by Parent or the Administrative Agent, shall deliver such other documentation prescribed by applicable Requirements of Law or reasonably requested by Parent or the Administrative Agent as will enable Parent or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Each Lender hereby authorizes the Administrative Agent to deliver to Parent and to any successor Administrative Agent any documentation provided to the Administrative Agent pursuant to this Section 2.17(f). Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.17(f)(ii)(A), 2.17(f)(ii)(B) or 2.17(f)(ii)(D)) 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) each Lender that is not a Foreign Lender shall deliver to Parent 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 Parent or the Administrative Agent), two executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) each Foreign Lender shall deliver to Parent 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 Parent or the Administrative Agent), whichever of the following is applicable:

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

(2) executed copies of IRS Form W-8ECI;

(3) in the case of any 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 L-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 Parent within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "**U.S. Tax Compliance Certificate**") and (y) executed copies of IRS Form W-8BEN or W-8BEN-E; or

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

(C) each Foreign Lender shall deliver, to the extent that it is legally entitled to do so, to Parent 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 Parent or the Administrative Agent), executed copies of any other form prescribed by applicable Requirements of 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 Requirements of Law to permit Parent or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to any 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 Parent and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by Parent or the Administrative Agent such documentation as is prescribed by applicable Requirements of Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Parent or the Administrative Agent as may be necessary for Parent 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 documentation it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such documentation or promptly notify Parent and the Administrative Agent in writing of its legal inability to do so.

(g) If the Administrative Agent or any Lender or Issuing Bank determines, in its sole discretion exercised in good faith, that it has received a refund of any Indemnified Taxes as to which it has been indemnified by any Loan Party or with respect to which such Loan Party has paid additional amounts pursuant to this Section 2.17, it shall pay over such refund to such Loan Party (but only to the extent of indemnity payments made, or additional amounts paid, by such Loan Party under this Section 2.17 with respect to the Indemnified Taxes giving rise to such refund), net of all out-of-pocket expenses of the indemnified party (including any Taxes imposed with respect to such refund), and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that such Loan Party, upon the request of the indemnified party, agrees to repay the amount paid over to such Loan Party pursuant to this paragraph (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such indemnified party in the event such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the Administrative Agent, any Lender or Issuing Bank be required to pay any amount to any Loan Party pursuant to this paragraph (g) to the extent that the payment thereof would place the Administrative Agent, such Lender or Issuing Bank in a less favorable net after-Tax position than the position that it 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 paragraph shall not be construed to require the Administrative Agent, any Lender or any Issuing Bank to make available its Tax returns (or any other information relating to its Taxes which it deems confidential) to the relevant Loan Party or any other Person.

(h) The Administrative Agent shall deliver to Borrower, on or before the date on which it becomes the Administrative Agent hereunder, either (i) a duly executed original IRS Form W-9 (or any applicable successor form) certifying that the Administrative Agent is not subject to backup withholding, or (ii) (A) a duly completed executed original IRS Form W-8ECI to establish that the Administrative Agent is not subject to withholding Taxes under the Internal Revenue Code with respect to any amounts payable for the account of the Administrative Agent under any of the Loan Documents

and (B) a duly executed original IRS Form W-8IMY (or applicable successor form) certifying that it is a U.S. branch that has agreed to be treated as a U.S. person for United States federal withholding Tax purposes with respect to payments received by it from a Loan Party for the account of others under the Loan Documents. The Administrative Agent shall promptly notify Parent at any time it determines that it is no longer in a position to provide the certification described in the preceding sentence.

(i) Each party's obligations under this Section 2.17 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, any Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

(j) For purposes of this Section 2.17, the term "Requirements of Law" includes FATCA.

Section 2.18. Payments Generally; Allocation of Proceeds; Sharing of Payments.

(a) Unless otherwise specified, the Borrower shall make each payment required to be made by it hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements or of amounts payable under Section 2.15, 2.16 or 2.17 or otherwise) prior to the time expressed hereunder or under such Loan Document (or, if no time is expressly required, by 2:00 p.m.) on the date when due, in immediately available funds, without set-off (except as otherwise provided in Section 2.17) or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent to the applicable account designated to the Borrower by the Administrative Agent, except payments to be made directly to the applicable Issuing Bank as expressly provided herein and except that payments pursuant to Sections 2.15, 2.16, 2.17 and 9.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. Each Lender agrees that in computing such Lender's portion of any Borrowing to be made hereunder, the Administrative Agent may, in its discretion, round such Lender's percentage of such Borrowing to the next higher or lower whole dollar amount. All payments (including accrued interest) hereunder shall be made in Dollars. Any payment required to be made by the Administrative Agent hereunder shall be deemed to have been made by the time required if the Administrative Agent shall, at or before such time, have taken the necessary steps to make such payment in accordance with the regulations or operating procedures of the clearing or settlement system used by the Administrative Agent to make such payment.

(b) Subject in all respects to the provisions of any applicable Acceptable Intercreditor Agreement, all proceeds of Collateral received by the Administrative Agent at any time when an Event of Default exists and all or any portion of the Loans have been accelerated hereunder pursuant to Section 7.01, shall, upon election by the Administrative Agent or at the direction of the Required Lenders, be applied, first, on a pro rata basis, to pay any fees, indemnities or expense reimbursements then due to the Administrative Agent or any Issuing Bank from the Borrower constituting Obligations, second, on a pro rata basis, to pay any fees or expense reimbursements then due to the Lenders from the Borrower constituting Obligations, third, to pay interest due and payable in respect of any Loans, on a pro rata basis, fourth, to prepay principal on the Loans and unreimbursed LC Disbursements, all Banking Services Obligations and all Secured Hedging Obligations on a pro rata basis among the Secured Parties, fifth, to pay an amount to the Administrative Agent equal to 100% of the LC Exposure (minus the amount then on deposit in the LC Collateral Account) on such date, to be held in the LC Collateral Account as Cash collateral for such Obligations, on a pro rata basis; provided that if any Letter of Credit expires undrawn, then any Cash collateral held to secure the related LC Exposure shall be

applied in accordance with this Section 2.18(b), beginning with clause first above, sixth, to the payment of any other Secured Obligation due to the Administrative Agent, any Lender or any other Secured Party by the Borrower on a pro rata basis, seventh, as provided for under any applicable Acceptable Intercreditor Agreement and eighth, to the Borrower or as the Borrower shall direct.

(c) If any Lender obtains payment (whether voluntary, involuntary, through the exercise of any right of set-off or otherwise) in respect of any principal of or interest on any of its Loans of any Class or participations in LC Disbursements held by it resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans of such Class and participations in LC Disbursements and accrued interest thereon than the proportion received by any other Lender with Loans of such Class and participations in LC Disbursements, then the Lender receiving such greater proportion shall purchase (for Cash at face value) participations in the Loans and sub-participations in LC Disbursements of other Lenders of such Class at such time outstanding to the extent necessary so that the benefit of all such payments shall be shared by the Lenders of such Class ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans of such Class and participations in LC Disbursements; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest and (ii) the provisions of this paragraph shall not apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by any Lender as consideration for the assignment of or sale of a participation in any of its Loans to any permitted assignee or participant, including any payment made or deemed made in connection with Sections 2.22, 2.23, 9.02(b) and/or Section 9.05. The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable Requirements of Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation. The Administrative Agent will keep records (which shall be conclusive and binding in the absence of manifest error) of participations purchased under this Section 2.18(c) and will, in each case, notify the Lenders following any such purchases or repayments. Each Lender that purchases a participation pursuant to this Section 2.18(c) shall from and after such purchase have the right to give all notices, requests, demands, directions and other communications under this Agreement with respect to the portion of the Obligations purchased to the same extent as though the purchasing Lender were the original owner of the Obligations purchased.

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

(e) If any Lender fails to make any payment required to be made by it pursuant to Section 2.07(a) or Section 2.18(d), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender’s obligations under such Sections until all such unsatisfied obligations are fully paid.

Section 2.19. Mitigation Obligations; Replacement of Lenders.

(a) If any Lender requests compensation under Section 2.15 or such Lender determines it can no longer make or maintain LIBO Rate Loans pursuant to Section 2.20, or the Borrower is required to pay any additional amount to or indemnify any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or its participation in any Letter of Credit affected by such event, or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the reasonable judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.15 or 2.17, as applicable, in the future or mitigate the impact of Section 2.20, as the case may be, and (ii) would not subject such Lender to any material unreimbursed out-of-pocket cost or expense and would not otherwise be disadvantageous to such Lender in any material respect. The Borrower hereby agrees to pay all reasonable out-of-pocket costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If (i) any Lender requests compensation under Section 2.15 or such Lender determines it can no longer make or maintain LIBO Rate Loans pursuant to Section 2.20, (ii) the Borrower is required to pay any additional amount to or indemnify any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, (iii) any Lender is a Defaulting Lender or (iv) in connection with any proposed amendment, waiver or consent requiring the consent of "each Lender", "each Revolving Lender" or "each Lender directly affected thereby" (or any other Class or group of Lenders other than the Required Lenders) with respect to which Required Lender or Required Revolving Lender consent (or the consent of Lenders holding loans or commitments of such Class or lesser group representing more than 50% of the sum of the total loans and unused commitments of such Class or lesser group at such time) has been obtained, as applicable, any Lender is a non-consenting Lender (each such Lender, a "**Non-Consenting Lender**"), then Parent may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, (x) terminate the applicable Commitments and/or Additional Commitments of such Lender, and repay all Obligations of the Borrower owing to such Lender relating to the applicable Loans and participations held by such Lender as of such termination date under one or more Credit Facilities or Additional Credit Facilities as Parent may elect or (y) replace such Lender by requiring such Lender to assign and delegate (and such Lender shall be obligated to assign and delegate), without recourse (in accordance with and subject to the restrictions contained in Section 9.05), all of its interests, rights and obligations under this Agreement to an Eligible Assignee that shall assume such obligations (which Eligible Assignee may be another Lender, if any Lender accepts such assignment); provided that (A) such Lender shall have received payment of an amount equal to the outstanding principal amount of its Loans and, if applicable, participations in LC Disbursements, of such Class of Loans, Commitments and/or Additional Commitments, accrued interest thereon, accrued fees and all other amounts payable to it hereunder with respect to such Class of Loans, Commitments and/or Additional Commitments, (B) in the case of any assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments and (C) such assignment does not conflict with applicable law. No action by or consent of a Defaulting Lender or a Non-Consenting Lender shall be necessary in connection with such assignment, which shall be immediately and automatically effective upon payment of the amounts described in clause (A) of the immediately preceding sentence. No Lender (other than a Defaulting Lender) shall be required to make any such assignment and delegation, and the Borrower may not repay the Obligations of such Lender or terminate its Commitments or Additional Commitments, 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. Each Lender agrees that if it is replaced pursuant to this Section 2.19, it shall execute and deliver to the Administrative Agent an Assignment and Assumption to evidence such sale and purchase and shall deliver to the Administrative

Agent any Promissory Note (if the assigning Lender's Loans are evidenced by one or more Promissory Notes) subject to such Assignment and Assumption (provided that the failure of any Lender replaced pursuant to this Section 2.19 to execute an Assignment and Assumption or deliver any such Promissory Note shall not render such sale and purchase (and the corresponding assignment) invalid), such assignment shall be recorded in the Register and any such Promissory Note shall be deemed cancelled. Each Lender hereby irrevocably appoints the Administrative Agent (such appointment being coupled with an interest) as such Lender's attorney-in-fact, with full authority in the place and stead of such Lender and in the name of such Lender, from time to time in the Administrative Agent's discretion, with prior written notice to such Lender, to take any action and to execute any such Assignment and Assumption or other instrument that the Administrative Agent may deem reasonably necessary to carry out the provisions of this clause (b). To the extent that any Lender is replaced pursuant to Section 2.19(b)(iv) in connection with a Repricing Transaction requiring payment of a fee pursuant to Section 2.12(f), the Borrower shall pay to each Lender being replaced as a result of such Repricing Transaction the fee set forth in Section 2.12(f).

Section 2.20. Illegality. If any Lender reasonably determines that any Change in Law has made it unlawful, or that any Governmental Authority has asserted after the Closing Date that it is unlawful, for such Lender or its applicable lending office to make, maintain or fund Loans whose interest is determined by reference to the Published LIBO Rate, or to determine or charge interest rates based upon the Published LIBO Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the applicable interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, (i) any obligation of such Lender to make or continue LIBO Rate Loans in Dollars or to convert ABR Loans to LIBO Rate Loans shall be suspended and (ii) if such notice asserts the illegality of such Lender making or maintaining ABR Loans the interest rate on which is determined by reference to the Published LIBO Rate component of the Alternate Base Rate, the interest rate on which ABR Loans of such Lender, shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Published LIBO Rate component of the Alternate Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist (which notice such Lender agrees to give promptly). Upon receipt of such notice, (x) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or convert all of such Lender's LIBO Rate Loans to ABR Loans (the interest rate on which ABR Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Published LIBO Rate component of the Alternate Base Rate) either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such LIBO Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such LIBO Rate Loans (in which case the Borrower shall not be required to make payments pursuant to Section 2.16 in connection with such payment) and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Published LIBO Rate, the Administrative Agent shall during the period of such suspension compute the Alternate Base Rate applicable to such Lender without reference to the Published LIBO Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Published LIBO Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted. Each Lender agrees to designate a different lending office if such designation will avoid the need for such notice and will not, in the determination of such Lender, otherwise be materially disadvantageous to such Lender.

Section 2.21. Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) Fees shall cease to accrue on the unfunded portion of any Commitment of such Defaulting Lender pursuant to Section 2.12(a) and, subject to clause (d)(iv) below, on the participation of such Defaulting Lender in Letters of Credit pursuant to Section 2.12(b).

(b) The Commitments, Loans and LC Exposure of such Defaulting Lender shall not be included in determining whether all Lenders, each affected Lender, the Required Lenders, the Required Revolving Lenders or such other number of Lenders as may be required hereby or under any other Loan Document have taken or may take any action hereunder (including any consent to any waiver, amendment or modification pursuant to Section 9.02); provided that any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender which affects such Defaulting Lender disproportionately and adversely relative to other affected Lenders shall require the consent of such Defaulting Lender.

(c) Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of any Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 2.11, Section 2.15, Section 2.16, Section 2.17, Section 2.18, Article 7, Section 9.05 or otherwise, and including any amounts made available to the Administrative Agent by such Defaulting Lender pursuant to Section 9.09), shall be applied at such time or times as may be determined by the Administrative Agent and, where relevant, the Borrower 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 applicable Issuing Bank hereunder; third, if so reasonably determined by the Administrative Agent or reasonably requested by the applicable Issuing Bank, to be held as Cash collateral for future funding obligations of such Defaulting Lender in respect of any participation in any Letter of Credit; fourth, so long as no Default or Event of Default exists, as the Borrower may request, 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; fifth, if so determined by the Administrative Agent or the Borrower, to be held in a deposit account and released in order to satisfy obligations of such Defaulting Lender to fund Loans under this Agreement; sixth, to the payment of any amounts owing to the non-Defaulting Lenders or Issuing Banks as a result of any judgment of a court of competent jurisdiction obtained by any non-Defaulting Lender or any Issuing Bank against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, 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 Loan or LC Exposure in respect of which such Defaulting Lender has not fully funded its appropriate share and (y) such Loan or LC Exposure was made or created, as applicable, at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and LC Exposure owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or LC Exposure owed to, such Defaulting Lender. Any payments, prepayments or other amounts paid or payable to any Defaulting Lender that are applied (or held) to pay amounts owed by any Defaulting Lender or to post Cash collateral pursuant to this Section 2.21(c) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(d) If any LC Exposure exists at the time any Lender becomes a Defaulting Lender then:

(i) all or any part of such LC Exposure shall be reallocated among the non-Defaulting Revolving Lenders in accordance with their respective Applicable Percentages but only to the extent the sum of all non-Defaulting Lenders' Revolving Credit Exposures does not

exceed the total of all non-Defaulting Revolving Lenders' Revolving Credit Commitments; provided that no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from such 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;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any other right or remedy available to it hereunder or under applicable Requirements of Law, within two Business Days following notice by the Administrative Agent, Cash collateralize 100% of such Defaulting Lender's LC Exposure and any obligations of such Defaulting Lender to fund participations (after giving effect to any partial reallocation pursuant to paragraph (i) above and any Cash collateral provided by such Defaulting Lender or pursuant to Section 2.21(c) above) or make other arrangements reasonably satisfactory to the Administrative Agent and to the applicable Issuing Bank with respect to such LC Exposure and obligations to fund participations. Cash collateral (or the appropriate portion thereof) provided to reduce LC Exposure or other obligations shall be released promptly following (A) the elimination of the applicable LC Exposure or other obligations giving rise thereto (including by the termination of the Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 2.19)) or (B) the Administrative Agent's good faith determination that there exists excess Cash collateral (including as a result of any subsequent reallocation of LC Exposure among non-Defaulting Lenders described in clause (i) above);

(iii) (A) if the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to this Section 2.21(d), then the fees payable to the Revolving Lenders pursuant to Section 2.12(a) and (b), as the case may be, shall be adjusted to give effect to such reallocation and (B) if the LC Exposure of any Defaulting Lender is Cash collateralized pursuant to this Section 2.21(d), then, without prejudice to any rights or remedies of the applicable Issuing Bank, any Lender or the Borrower hereunder, no letter of credit fees shall be payable under Section 2.12(b) with respect to such Defaulting Lender's LC Exposure; and

(iv) if any Defaulting Lender's LC Exposure is not Cash collateralized, prepaid or reallocated pursuant to this Section 2.21(d), then, without prejudice to any rights or remedies of the applicable Issuing Bank or any Revolving Lender hereunder, all letter of credit fees payable under Section 2.12(b) with respect to such Defaulting Lender's LC Exposure shall be payable to the applicable Issuing Bank until such Defaulting Lender's LC Exposure is Cash collateralized or reallocated.

(e) So long as any Revolving Lender is a Defaulting Lender, no Issuing Bank shall be required to issue, extend, create, incur, amend or increase any Letter of Credit unless it is reasonably satisfied that the related exposure will be 100% covered by the Revolving Credit Commitments of the non-Defaulting Lenders, Cash collateral provided pursuant to Section 2.21(c) and/or Cash collateral provided by the Borrower in accordance with Section 2.21(d), and participating interests in any such or newly issued, extended or created Letter of Credit shall be allocated among non-Defaulting Revolving Lenders in a manner consistent with Section 2.21(d)(i) (it being understood that Defaulting Lenders shall not participate therein).

(f) In the event that the Administrative Agent and Parent agree that any Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Applicable Percentage of LC Exposure of the Revolving Lenders shall be readjusted to reflect the inclusion of such Lender's Revolving Credit Commitment, and on such date such Revolving Lender shall

purchase at par such of the Revolving Loans of the other Revolving Lenders or participations in Revolving Loans as the Administrative Agent shall determine as are necessary in order for such Revolving Lender to hold such Revolving Loans or participations in accordance with its Applicable Percentage of the applicable Class. Notwithstanding the fact that any Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, (x) no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while such Lender was a Defaulting Lender and (y) except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

Section 2.22. Incremental Credit Extensions.

(a) The Borrower or any Loan Party may, at any time, on one or more occasions pursuant to an Incremental Facility Amendment (i) with respect to any Term Loan Borrower, add one or more new Classes of term facilities and/or increase the principal amount of the Term Loans of any existing Class by requesting new term loan commitments to be added to such Loans (any such new Class or increase, an "**Incremental Term Facility**" and any loans made pursuant to an Incremental Term Facility, "**Incremental Term Loans**") and/or (ii) with respect to any Revolving Borrower, add one or more new Classes of revolving commitments and/or increase the aggregate amount of the Revolving Credit Commitments of any existing Class (any such new Class or increase, an "**Incremental Revolving Facility**" and, together with any Incremental Term Facility, "**Incremental Facilities**", or either or any thereof, an "**Incremental Facility**"; and the loans thereunder, "**Incremental Revolving Loans**" and, together with any Incremental Term Loans, "**Incremental Loans**") in an aggregate outstanding principal amount not to exceed the Incremental Cap; provided that:

(i) no Incremental Commitment may be in an amount that is less than $5,000,000 (or such lesser amount to which the Administrative Agent may reasonably agree),

(ii) except as separately agreed from time to time between any Loan Party and any Lender, no Lender shall be obligated to provide any Incremental Commitment, and the determination to provide such commitments shall be within the sole and absolute discretion of such Lender (it being agreed that no Loan Party shall be obligated to offer the opportunity to any Lender to participate in any Incremental Facility),

(iii) no Incremental Facility or Incremental Loan (nor the creation, provision or implementation thereof) shall require the approval of any existing Lender other than in its capacity, if any, as a lender providing all or part of any Incremental Commitment or Incremental Loan,

(iv) any such Incremental Revolving Facility shall either (i) be subject to the same terms and conditions as any then-existing Revolving Facility (and be deemed added to, and made a part of, such Revolving Facility) (it being understood that, if required to consummate an Incremental Revolving Facility, the Borrower may increase the pricing, interest rate margins, rate floors, and undrawn fees on the applicable Revolving Facility being increased for all lenders under such Revolving Facility, but additional upfront or similar fees may be payable to the lenders participating in such Incremental Revolving Facility without any requirement to pay such amounts to any existing Revolving Lenders) or (ii) mature no earlier than, and require no scheduled mandatory commitment reduction prior to, the maturity of the Initial Revolving Facility and all other material terms (other than pricing, maturity, upfront, arrangement, structuring, underwriting, ticking, consent, amendment and other fees, participation in mandatory prepayments or commitment reductions and immaterial terms, which shall be determined by

Parent) shall (x) be substantially identical to the Initial Revolving Facility, (y) reflect market terms and conditions (as determined by Parent in good faith) at the time of incurrence or issuance (or the obtaining of a commitment with respect thereto) or (z) be reasonably satisfactory to the Administrative Agent (it being understood that if any financial maintenance covenant or other more favorable provision is added for the benefit of any Incremental Revolving Facility, no consent shall be required from the Administrative Agent or any Lender to the extent that such financial maintenance covenant or other provision is (1) also added for the benefit of any then-existing Revolving Facility or (2) only applicable after the latest maturity of any then-existing Revolving Facility),

(v) the Effective Yield (and the components thereof) applicable to any Incremental Facility may be determined by Parent and the lender or lenders providing such Incremental Facility; provided that, in the case of any broadly syndicated Dollar-denominated Incremental Term Facility that is (x) originally incurred in reliance on clause (e) of the definition of "Incremental Cap" (but not any reclassification pursuant to clause (3) of the proviso therein) and (y) scheduled to mature prior to the date that is one year after the Initial Term Loan Maturity Date, the Effective Yield applicable thereto may not be more than 0.75% higher than the Effective Yield applicable to the Initial Term Loans unless the Applicable Rate (and/or, as provided in the proviso below, the Alternate Base Rate floor or LIBO Rate floor) with respect to the Initial Term Loans is adjusted such that the Effective Yield on the Initial Term Loans is not more than 0.75% per annum less than the Effective Yield with respect to such Incremental Facility; provided further that any increase in Effective Yield applicable to any Initial Term Loan due to the application or imposition of an Alternate Base Rate floor or LIBO Rate floor on any Incremental Term Loan may, at the election of Parent, be effected through an increase in the Alternate Base Rate floor or LIBO Rate floor applicable to such Initial Term Loans or an increase in the interest rate margin applicable to such Incremental Loans; provided further that the MFN Provision (1) shall not apply to Incremental Term Facilities having an aggregate principal amount not exceeding the greater of $325,000,000 and 50% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period, (2) shall not apply to Incremental Term Facilities incurred more than six months after the Closing Date, (3) shall not apply to Incremental Term Facilities incurred in connection with a Permitted Acquisition or other permitted Investment, (4) shall not apply to Customary Term A Loans and (5) shall not apply to customary bridge loans with a maturity date of not longer than one year that are convertible or exchangeable into, or are intended to be refinanced with, any Indebtedness other than term loans that are *pari passu* with the Initial Term Loans in right or payment and with respect to security (this clause (v), the "MFN Provision"),

(vi) the final maturity date with respect to any Incremental Term Loans shall be no earlier than the Initial Term Loan Maturity Date at the time of the incurrence thereof; provided, that the foregoing limitation shall not apply to (i) customary bridge loans with a maturity date of not longer than one year; provided, that any loans, notes, securities or other Indebtedness which are exchanged for or otherwise replace such bridge loans shall be subject to the requirements of this clause (vi), (ii) Customary Term A Loans or (iii) Incremental Term Facilities having an aggregate principal amount outstanding not exceeding the greater of $655,000,000 and 100% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period,

(vii) the Weighted Average Life to Maturity of any Incremental Term Facility shall be no shorter than the remaining Weighted Average Life to Maturity of the Initial Term Loans; provided, that the foregoing limitation shall not apply to (i) customary bridge loans with a maturity date of not longer than one year; provided, that any loans, notes, securities or other

Indebtedness which are exchanged for or otherwise replace such bridge loans shall be subject to the requirements of this clause (vii), (ii) Customary Term A Loans or (iii) Incremental Term Facilities having an aggregate principal amount outstanding not exceeding the greater of $655,000,000 and 100% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period,

(viii) subject to clauses (vi) and (vii) above, any Incremental Term Facility may otherwise have an amortization schedule as determined by Parent and the lenders providing such Incremental Term Facility,

(ix) subject to clause (y) above, to the extent applicable, any fees payable in connection with any Incremental Facility shall be determined by Parent and the arrangers and/or lenders providing such Incremental Facility,

(x) (A) each Incremental Facility shall rank *pari passu* with the Initial Term Loans (in the case of any Incremental Term Facility) and *pari passu* with the Initial Revolving Loans (in the case of Incremental Revolving Loans), in each case in right of payment and security and (B) no Incremental Facility may be (x) guaranteed by any Person which is not a Loan Party or (y) secured by Liens on any assets other than the Collateral,

(xi) any Incremental Term Facility may provide for the ability to participate (A) on a pro rata basis or non-pro rata basis in any voluntary prepayment of Term Loans made pursuant to Section 2.11(a) and (B) on a pro rata or less than pro rata basis (but not on a greater than pro rata basis, other than in the case of prepayment with proceeds of Indebtedness refinancing such Incremental Term Loans) in any mandatory prepayment of Term Loans required pursuant to Section 2.11(b),

(xii) no Specified Event of Default shall exist immediately prior to or after giving effect to the effectiveness of such Incremental Facility (except in connection with any acquisition or other Investment or irrevocable repayment or redemption of Indebtedness, where no such Specified Event of Default shall exist at the time as elected by Parent pursuant to Section 1.04(e)),

(xiii) except as otherwise set forth above or below, all other terms of any such Incremental Term Facility, shall (x) be substantially identical to the terms of any then-existing Term Facility, (y) reflect market terms and conditions (as determined by Parent in good faith) at the time of incurrence or issuance or (z) be reasonably satisfactory to the Administrative Agent,

(xiv) the proceeds of any Incremental Facility may be used for working capital, Capital Expenditures and other general corporate purposes of Parent and its subsidiaries (including permitted Restricted Payments, Investments, Permitted Acquisitions, Restricted Debt Payments and any other purpose not prohibited by the terms of the Loan Documents), and

(xv) on the date of the making of any Incremental Term Loans that will be added to any Class of Initial Term Loans or Additional Term Loans, and notwithstanding anything to the contrary set forth in Sections 2.08 or 2.13, such Incremental Term Loans shall be added to (and constitute a part of) each borrowing of outstanding Initial Term Loans or Additional Term Loans, as applicable, of the same type with the same Interest Period of the respective Class on a *pro rata* basis (based on the relative sizes of the various outstanding Borrowings), so that each Term Lender will participate proportionately in each then outstanding

borrowing of Initial Term Loans or Additional Term Loans, as applicable, of the same type with the same Interest Period of the respective Class.

(b) Incremental Commitments may be provided by any existing Lender or by any other Eligible Assignee (any such other Eligible Assignee being called an "**Additional Lender**"); provided that the Administrative Agent (and, in the case of any Incremental Revolving Facility, each Issuing Bank) shall have consented (such consent not to be unreasonably withheld, conditioned or delayed) to the relevant Additional Lender's provision of Incremental Commitments if such consent would be required under Section 9.05(b) for an assignment of Loans to such Additional Lender; provided further, that any Additional Lender that is an Affiliated Lender shall be subject to the provisions of Section 9.05(g), *mutatis mutandis*, to the same extent as if the relevant Incremental Commitments and related Obligations had been obtained by such Lender by way of assignment.

(c) Each Lender or Additional Lender providing a portion of any Incremental Commitment shall execute and deliver to the Administrative Agent and Parent all such documentation (including the relevant Incremental Facility Amendment) as may be reasonably required by the Administrative Agent to evidence and effectuate such Incremental Commitment. On the effective date of such Incremental Commitment, each Additional Lender shall become a Lender for all purposes in connection with this Agreement.

(d) As a condition precedent to the effectiveness of any Incremental Facility or the making of any Incremental Loans, (i) upon its request, the Administrative Agent shall have received customary written opinions of counsel, as well as such reaffirmation agreements, supplements and/or amendments as it shall reasonably require, (ii) the Administrative Agent shall have received, from each Additional Lender, an administrative questionnaire, in the form provided to such Additional Lender by the Administrative Agent (the "**Administrative Questionnaire**") and such other documents as it shall reasonably require from such Additional Lender, (iii) the Administrative Agent and applicable Additional Lenders shall have received all fees required to be paid in respect of such Incremental Facility or Incremental Loans and (iv) upon its request, the Administrative Agent shall have received a certificate of the applicable Borrower, signed by a Responsible Officer thereof:

(A) certifying and attaching a copy of the resolutions adopted by the governing body of the applicable Borrower approving or consenting to such Incremental Facility or Incremental Loans, and

(B) to the extent applicable, certifying that the condition set forth in clause (a)(xii) above has been satisfied.

(e) Upon the implementation of any Incremental Revolving Facility pursuant to this Section 2.22:

(i) if such Incremental Revolving Facility establishes Revolving Credit Commitments of the same Class as any then-existing Class of Revolving Credit Commitments, (i) each Revolving Lender immediately prior to such increase will automatically and without further act be deemed to have assigned to each relevant Incremental Revolving Facility Lender, and each relevant Incremental Revolving Facility Lender will automatically and without further act be deemed to have assumed a portion of such Revolving Lender's participations hereunder in outstanding Letters of Credit such that, after giving effect to each deemed assignment and assumption of participations, all of the Revolving Lenders' (including each Incremental Revolving Facility Lender's) participations hereunder in Letters of Credit and (ii) the existing Revolving Lenders of the applicable Class shall assign Revolving Loans to certain other

Revolving Lenders of such Class (including the Revolving Lenders providing the relevant Incremental Revolving Facility), and such other Revolving Lenders (including the Revolving Lenders providing the relevant Incremental Revolving Facility) shall purchase such Revolving Loans, in each case to the extent necessary so that all of the Revolving Lenders of such Class participate in each outstanding borrowing of Revolving Loans pro rata on the basis of their respective Revolving Credit Commitments of such Class (after giving effect to any increase in the Revolving Credit Commitment pursuant to this Section 2.22); it being understood and agreed that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to this clause (i); and

(ii) if such Incremental Revolving Facility establishes Revolving Credit Commitments of a new Class, (1) the borrowing and repayment (except for (A) payments of interest and fees at different rates on any Revolving Facility, (B) repayments required upon the Maturity Date of any Revolving Facility and (C) repayments made in connection with any permanent repayment and termination of any Revolving Credit Commitments (subject to clause (3) below)) of Incremental Revolving Loans after the effective date of such Incremental Revolving Facility Commitments shall be made on a pro rata basis with any then-existing Revolving Facility, (2) all letters of credit issued under such Incremental Revolving Facility shall be participated on a pro rata basis by all Revolving Lenders and (3) any permanent repayment of Revolving Loans with respect to, and reduction or termination of Revolving Credit Commitments under, any Revolving Facility after the effective date of any Incremental Revolving Facility shall be made on a pro rata basis or less than pro rata basis with all other Revolving Facilities, except that the Borrower shall be permitted to permanently repay Revolving Loans and terminate Revolving Credit Commitments of any Revolving Facility on a greater than pro rata basis (I) as compared to any other Revolving Facilities with a later Maturity Date than such Revolving Facility or (II) to the extent refinanced or replaced with a Replacement Revolving Facility or Replacement Debt.

(f) Effective on the date of effectiveness of each Incremental Revolving Facility, the maximum amount of LC Exposure permitted hereunder shall increase by the amount, if any, agreed upon by Administrative Agent, Parent and the relevant Issuing Banks.

(g) The Lenders hereby irrevocably authorize the Administrative Agent to enter into any Incremental Facility Amendment and/or any amendment to any other Loan Documents as may be necessary in order to establish new or any increase in any Classes or sub-Classes in respect of Loans or commitments pursuant to this Section 2.22 and such technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and Parent in connection with the establishment or increase, as applicable, of such Classes or sub-Classes, in each case on terms consistent with this Section 2.22.

(h) To the extent the provisions of clause (a)(xv) above require that Term Lenders making new Incremental Term Loans add such Incremental Term Loans to the then outstanding borrowings of LIBO Rate Loans of the respective Class of Initial Term Loans or Additional Term Loans, as applicable, it is acknowledged that the effect thereof may result in such new Incremental Term Loans having short Interest Periods (i.e., an Interest Period that began during an Interest Period then applicable to outstanding LIBO Rate Loans of the respective Class and which will end on the last day of such Interest Period).

(i) This Section 2.22 shall supersede any provision in Section 2.18 or 9.02 to the contrary.

Section 2.23. Extensions of Loans and Revolving Credit Commitments.

(a) Notwithstanding anything to the contrary in this Agreement, pursuant to one or more offers (each, an "**Extension Offer**") made from time to time by the Borrower to all Lenders holding Loans of any Class or Commitments of any Class, in each case on a pro rata basis (based on the aggregate outstanding principal amount of the respective Loans or Commitments of such Class) and on the same terms to each such Lender, the Borrower is hereby permitted from time to time to consummate transactions with any individual Lender who accepts the terms contained in the relevant Extension Offer to extend the Maturity Date of all or a portion of such Lender's Loans and/or Commitments of such Class and otherwise modify the terms of all or a portion of such Loans and/or Commitments pursuant to the terms of the relevant Extension Offer (including by increasing the interest rate or fees payable in respect of such Loans and/or Commitments (and related outstandings) and/or modifying the amortization schedule, if any, in respect of such Loans) (each, an "**Extension**"); it being understood that any Extended Term Loans shall constitute a separate Class of Loans from the Class of Loans from which they were converted and any Extended Revolving Credit Commitments shall constitute a separate Class of Revolving Credit Commitments from the Class of Revolving Credit Commitments from which they were converted, so long as the following terms are satisfied:

(i) except as to (x) interest rates, fees and final maturity (which shall, subject to the succeeding clause (iii)(y), be determined by Parent and set forth in the relevant Extension Offer), (y) terms applicable to such Extended Revolving Credit Commitments or Extended Revolving Loans that are more favorable to the lenders or the agent of such Extended Revolving Credit Commitments or Extended Revolving Loans than those contained in the Loan Documents and are then conformed (or added) to the Loan Documents on or prior to the effectiveness of such Extension for the benefit of the Revolving Lenders or, as applicable, the Administrative Agent pursuant to the applicable Extension Amendment and (z) any terms or other provisions applicable only to periods after the Latest Revolving Credit Maturity Date (in each case, as of the date of such Extension), the commitment of any Revolving Lender that agrees to an Extension (an "**Extended Revolving Credit Commitment**"; and the Loans thereunder, "**Extended Revolving Loans**"), and the related outstandings, shall be a revolving commitment (or related outstandings, as the case may be) with substantially consistent terms (or terms not less favorable to existing Revolving Lenders) as the Class of Revolving Credit Commitments subject to the relevant Extension Offer (and related outstandings) provided hereunder; provided that to the extent any non-extended portion of any Revolving Facility then exists after giving effect to any such Extension, (1) the borrowing and repayment (except for (A) payments of interest and fees at different rates on any Revolving Facility (and related outstandings), (B) repayments required upon the Maturity Date of any Revolving Facility and (C) repayments made in connection with any permanent repayment and termination of any Revolving Credit Commitments (subject to clause (3) below)) of Extended Revolving Loans after the effective date of such Extended Revolving Credit Commitments shall be made on a *pro rata* basis or less than pro rata basis with such portion of the relevant Revolving Facilities (2) all letters of credit issued under any Extended Revolving Credit Commitment shall be participated on a *pro rata* basis by all Revolving Lenders of the applicable Class and (3) the permanent repayment of Revolving Loans with respect to, and reduction or termination of commitments under, any such Extended Revolving Credit Commitment after the effective date of such Extended Revolving Credit Commitments shall be made on a *pro rata* basis with such portion of any then-existing Revolving Facility, except that the Borrower shall be permitted to permanently repay and terminate Revolving Credit Commitments of any Revolving Facility on a greater than *pro rata* basis (I) as compared to any other Revolving Facilities with a later Maturity Date than such Revolving Facility and (II) to the extent refinanced or replaced with a Replacement Revolving Facility or Replacement Debt;

(ii) except as to (x) interest rates, fees, amortization, final maturity date, premiums, required prepayment dates and participation in prepayments (which shall, subject to immediately succeeding clauses (iii)(x), (iv) and (v), be determined by Parent and set forth in the relevant Extension Offer), (y) terms applicable to such Extended Term Loans that are more favorable to the lenders or the agent of such Extended Term Loans than those contained in the Loan Documents and are then conformed (or added) to the Loan Documents on or prior to the effectiveness of such Extension for the benefit of the Term Lenders or, as applicable, the Administrative Agent pursuant to the applicable Extension Amendment and (z) any covenants or other provisions applicable only to periods after the Latest Term Loan Maturity Date (in each case, as of the date of such Extension), the Term Loans of any Lender extended pursuant to any Extension (any such extended Term Loans, the "**Extended Term Loans**") shall have substantially consistent terms (or terms not less favorable to existing Lenders) as the tranche of Term Loans subject to the relevant Extension Offer;

(iii) (x) the final maturity date of any Extended Term Loans shall be no earlier than the then applicable Latest Term Loan Maturity Date at the time of extension and (y) no Extended Revolving Credit Commitments or Extended Revolving Loans shall have a final maturity date earlier than (or require commitment reductions prior to) the then applicable Latest Revolving Credit Maturity Date;

(iv) the Weighted Average Life to Maturity of any Extended Term Loans shall be no shorter than the remaining Weighted Average Life to Maturity of the Term Loans or any other Extended Term Loans extended thereby;

(v) subject to clauses (iii) and (iv) above, any Extended Term Loans may otherwise have an amortization schedule as determined by Parent and the Lenders providing such Extended Term Loans;

(vi) any Extended Term Loans may provide for the ability to participate (A) on a pro rata basis or non-pro rata basis in any voluntary prepayment of Term Loans made pursuant to Section 2.11(a) and (B) on a pro rata or less than pro rata basis (but not on a greater than pro rata basis other than in the case of prepayment with proceeds of Indebtedness refinancing such Extended Term Loans) in any mandatory prepayment of Term Loans required pursuant to Section 2.11(b);

(vii) if the aggregate principal amount of Loans or commitments, as the case may be, in respect of which Lenders shall have accepted the relevant Extension Offer exceeds the maximum aggregate principal amount of Loans or commitments, as the case may be, offered to be extended by the Borrower pursuant to such Extension Offer, then the Loans or commitments, as the case may be, of such Lenders shall be extended ratably up to such maximum amount based on the respective principal amounts (but not to exceed actual holdings of record) held by Lenders that have accepted such Extension Offer;

(viii) unless the Administrative Agent otherwise agrees, each Extension shall be in a minimum amount of $5,000,000;

(ix) any applicable Minimum Extension Condition shall be satisfied or waived by the Borrower; and

(x) all documentation in respect of such Extension shall be consistent with the foregoing.

(b) With respect to any Extension consummated pursuant to this Section 2.23, (i) no such Extension shall constitute a voluntary or mandatory prepayment for purposes of Section 2.11, (ii) the scheduled amortization payments (in so far as such schedule affects payments due to Lenders participating in the relevant Class) set forth in Section 2.10 shall be adjusted to give effect to such Extension of the relevant Class and (iii) except as set forth in clause (a)(viii) above, no Extension Offer is required to be in any minimum amount or any minimum increment; provided that the Borrower may, at its election, specify as a condition (a "**Minimum Extension Condition**") to consummating such Extension that a minimum amount (to be determined and specified in the relevant Extension Offer in the Borrower's sole discretion and which may be waived by the Borrower in its sole discretion) of Loans or commitments (as applicable) of any or all applicable Classes be tendered. The Administrative Agent and the Lenders hereby consent to the transactions contemplated by this Section 2.23 (including, for the avoidance of doubt, any payment of any interest, fees or premium in respect of any tranche of Extended Term Loans and/or Extended Revolving Credit Commitments on such terms as may be set forth in the relevant Extension Offer) and hereby waive the requirements of any provision of this Agreement (including Sections 2.10, 2.11 or 2.18) or any other Loan Document that may otherwise prohibit any Extension or any other transaction contemplated by this Section.

(c) No consent of any Lender or the Administrative Agent shall be required to effectuate any Extension, other than (A) the consent of each Lender agreeing to such Extension with respect to one or more of its Loans and/or commitments under any Class (or a portion thereof) and (B) with respect to any Extension of the Revolving Credit Commitments, the consent of each Issuing Bank to the extent the commitment to provide Letters of Credit is to be extended. All Extended Term Loans and Extended Revolving Credit Commitments and all obligations in respect thereof shall constitute Secured Obligations under this Agreement and the other Loan Documents that are secured by the Collateral and guaranteed on a *pari passu* basis with all other Secured Obligations under this Agreement and the other Loan Documents. The Lenders hereby irrevocably authorize the Administrative Agent to enter into any Extension Amendment and such other amendments to this Agreement and the other Loan Documents as may be necessary in order to establish new Classes or sub-Classes in respect of Loans or commitments so extended and such technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and Parent in connection with the establishment of such new Classes or sub-Classes, in each case on terms consistent with this Section 2.23.

(d) In connection with any Extension, Parent shall provide the Administrative Agent at least five Business Days' (or such shorter period as may be agreed by the Administrative Agent) prior written notice thereof, and shall agree to such procedures (including regarding timing, rounding and other adjustments and to ensure reasonable administrative management of the credit facilities hereunder after such Extension), if any, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably to accomplish the purposes of this Section 2.23.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

Solely to the extent required pursuant to Section 4.01 or Section 4.02, as applicable, Parent hereby represents and warrants to the Lenders that:

Section 3.01. Organization; Powers. Each of Parent and its Restricted Subsidiaries (a) is (i) duly organized and validly existing and (ii) in good standing (to the extent such concept exists in the relevant jurisdiction) under the laws of its jurisdiction of organization, (b) has all requisite organizational power and authority to own its property and assets and to carry on its business as now conducted and (c) is qualified to do business in, and is in good standing (to the extent such concept exists in the relevant jurisdiction) in, every jurisdiction where its ownership, lease or operation of properties or conduct of its business requires such qualification; except, in each case referred to in this Section 3.01 (other than clause

(a)(i) with respect to Parent and each Borrower) where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

Section 3.02. Authorization; Enforceability. The execution, delivery and performance by each Loan Party of each of the Loan Documents to which such Loan Party is a party are within such Loan Party's corporate or other organizational power and have been duly authorized by all necessary corporate or other organizational action of such Loan Party. Each Loan Document to which any Loan Party is a party has been duly executed and delivered by such Loan Party and is a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, subject to the Legal Reservations.

Section 3.03. Governmental Approvals; No Conflicts. The execution and delivery of the Loan Documents by each Loan Party party thereto and the performance by such Loan Party thereof (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (i) such as have been obtained or made and are in full force and effect (except to the extent not required to be obtained or made pursuant to the Collateral and Guarantee Requirement), (ii) in connection with the Perfection Requirements and (iii) such consents, approvals, registrations, filings or other actions the failure to obtain or make which would not be reasonably expected to have a Material Adverse Effect, (b) will not violate any (i) of such Loan Party's Organizational Documents or (ii) Requirements of Law applicable to such Loan Party which, in the case of this clause (b)(ii), would reasonably be expected to have a Material Adverse Effect and (c) will not violate or result in a default under any material Contractual Obligation in respect of Indebtedness to which such Loan Party is a party which, in the case of this clause (c), would reasonably be expected to result in a Material Adverse Effect.

Section 3.04. Financial Condition; No Material Adverse Effect.

(a) The combined financial statements contained in the Form S-1 and, after the Closing Date, the financial statements most recently provided pursuant to Section 5.01(a) or (b), as applicable, present fairly, in all material respects, the financial position, results of operations and cash flows of Parent on a consolidated basis as of such dates and for such periods in accordance with GAAP, (x) except as otherwise expressly noted therein, (y) subject, in the case of financial statements provided pursuant to Section 5.01(a), to the absence of footnotes and normal year-end audit adjustments and (z) except as may be necessary to reflect any differing entity and/or organizational structure prior to giving effect to the Transactions.

(b) Since September 30, 2019, there have been no events, developments or circumstances that have had, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 3.05. Properties.

(a) [Reserved].

(b) The Borrower and each of its Restricted Subsidiaries have good and marketable fee simple title to or rights to purchase, or valid leasehold interests in, or easements or other limited property interests in, all of their respective Real Estate Assets and have good title to their personal property and assets, in each case material to the business, except (i) for defects in title that do not materially interfere with their ability to conduct their business as currently conducted or to utilize such properties and assets for their intended purposes or (ii) where the failure to have such title or interest would not reasonably be expected to have a Material Adverse Effect.

(c) The Borrower and each of its Restricted Subsidiaries own or otherwise have a license or right to use all Patents, Trademarks, Copyrights, domain names, trade secrets and all other similar intellectual property rights ("**IP Rights**") necessary to the conduct of the businesses of Parent and its Restricted Subsidiaries as presently conducted, and, to the knowledge of Parent, such IP Rights do not infringe or misappropriate the IP Rights of any third party, except to the extent such failure to own or have a license or right to use would not, or where such infringement or misappropriation would not, reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 3.06. Litigation and Environmental Matters.

(a) There are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of Parent, threatened in writing against or affecting Parent or any of its Restricted Subsidiaries which would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Except for any matters that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) neither Parent nor any of its Restricted Subsidiaries has received written notice of any claim with respect to any Environmental Liability of the Borrower or any Subsidiary, knows of any reasonable basis for any Environmental Liability of the Borrower or any Subsidiary or has become subject to any Environmental Liability and (ii) neither Parent nor any of its Restricted Subsidiaries is in violation of any Environmental Law or has not obtained, maintained or complied with any permit, license or other approval required under any Environmental Law.

(c) Neither Parent nor any of its Restricted Subsidiaries has treated, stored, transported, Released or disposed of any Hazardous Material at or from any currently or, during the period of ownership or operation by Parent or any of its Restricted Subsidiaries, formerly owned, leased or operated real estate or facility nor has any Hazardous Material been Released from any third-party location used for disposal or otherwise in connection with Parent's or any of its Restricted Subsidiaries' businesses, in each case in a manner that would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 3.07. Compliance with Laws. Each of Parent and each of its Restricted Subsidiaries is in compliance with all Requirements of Law applicable to it or its property, except, in each case where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, it being understood and agreed that this Section 3.07 shall not apply to any law specifically referenced in Section 3.17.

Section 3.08. Investment Company Status. No Loan Party is required to be registered as an "investment company" under the Investment Company Act of 1940.

Section 3.09. Taxes. Each of Parent and each of its Restricted Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it that are due and payable, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which Parent or such Restricted Subsidiary, as applicable, has set aside on its books adequate reserves in accordance with GAAP or (b) to the extent that the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

Section 3.10. ERISA.

(a) Each Employee Benefit Plan is in compliance in form and operation with its terms and with ERISA and the Code and all other applicable laws and regulations, except where any failure to comply would not reasonably be expected to result in a Material Adverse Effect.

(b) No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability of Parent, its Restricted Subsidiaries or any ERISA Affiliate, would reasonably be expected to result in a Material Adverse Effect.

Section 3.11. Disclosure.

(a) As of the Closing Date, all written factual information (other than the Projections, the model delivered by Parent to the Arrangers on [ ], other forward-looking or projected information, pro forma information and information of a general economic or general industry nature (including any reports or memoranda prepared by third party consultants)) concerning Parent and its Restricted Subsidiaries and the Transactions and that was included in the Lender Presentation or the Form S-1 or otherwise prepared by or on behalf of the foregoing or Parent or their respective representatives and made available to any Initial Lender or the Administrative Agent in connection with the Transactions on or before the Closing Date (the "**Information**"), when taken as a whole, did not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made (after giving effect to all supplements and updates thereto from time to time).

(b) The Projections have been prepared in good faith based upon assumptions believed by Parent to be reasonable at the time furnished (it being recognized that such Projections are not to be viewed as facts and are subject to significant uncertainties and contingencies many of which are beyond Parent's control, that no assurance can be given that any particular financial projections (including the Projections) will be realized, that actual results may differ from projected results and that such differences may be material).

Section 3.12. Solvency. As of the Closing Date, immediately after the consummation of the Transactions to occur on the Closing Date and the incurrence of indebtedness and obligations on the Closing Date in connection with this Agreement and the Transactions, (i) the sum of the debt (including contingent liabilities) of Parent and its Subsidiaries, taken as a whole, does not exceed the fair value of the assets of Parent and its Subsidiaries, taken as a whole; (ii) the present fair saleable value of the assets of Parent and its Subsidiaries, taken as a whole, is not less than the amount that will be required to pay the probable liabilities (including contingent liabilities) of Parent and its Subsidiaries, taken as a whole, on their debts as they become absolute and matured; (iii) the capital of Parent and its Subsidiaries, taken as a whole, is not unreasonably small in relation to the business of Parent and its Subsidiaries, taken as a whole, contemplated as of the Closing Date; and (iv) Parent and its Subsidiaries, taken as a whole, do not intend to incur, or believe that they will incur, debts (including current obligations and contingent liabilities) beyond their ability to pay such debts as they mature in the ordinary course of business. For the purposes hereof, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liability meets the criteria for accrual under Statement of Financial Accounting Standards No. 5).

Section 3.13. Capitalization and Subsidiaries. Schedule 3.13 sets forth, in each case as of the Closing Date, (a) a correct and complete list of the name of each subsidiary of Parent and the ownership interest therein held by Parent or its applicable subsidiary and (b) the type of entity of Parent and each of its subsidiaries.

Section 3.14. Security Interest in Collateral. Subject to the terms of the last paragraph of Section 4.01, the Legal Reservations, the Perfection Requirements, the provisions, limitations and/or exceptions set forth in this Agreement and/or the other relevant Loan Documents (including any Acceptable Intercreditor Agreement), the Collateral Documents create legal, valid and enforceable Liens on all of the Collateral in favor of the Administrative Agent, for the benefit of itself and the other Secured Parties, and upon the satisfaction of the applicable Perfection Requirements, such Liens constitute perfected Liens (with the priority such Liens are expressed to have within the relevant Collateral Documents) on the Collateral (to the extent such Liens are required to be perfected under the terms of the Loan Documents) securing the Secured Obligations, in each case as and to the extent set forth therein. For the avoidance of doubt, notwithstanding anything herein or in any other Loan Document to the contrary, neither Parent nor any other Loan Party makes any representation or warranty (other than any representation or warranty expressly made in such Loan Document) as to (A) the effects of perfection or non-perfection, the priority or the enforceability of any pledge of or security interest in any Capital Stock of any Foreign Subsidiary, or as to the rights and remedies of the Administrative Agent or any Lender with respect thereto, under foreign Requirements of Law, (B) the enforcement of any security interest or right or remedy with respect to any Collateral that may be limited or restricted by, or require any consent, authorization approval or license under, any Requirement of Law, (C) on the Closing Date and until required pursuant to Section 5.12 or the last paragraph of Section 4.01, or otherwise pursuant to this Agreement, as applicable, the pledge or creation of any security interest, or the effects of perfection or non-perfection, the priority or enforceability of any pledge or security interest to the extent the same is not required on the Closing Date or (D) any Excluded Asset.

Section 3.15. Labor Disputes. As of the Closing Date, except as individually or in the aggregate would not reasonably be expected to have a Material Adverse Effect: (a) there are no strikes, lockouts or slowdowns against Parent or any of its Restricted Subsidiaries pending or, to the knowledge of Parent or any of its Restricted Subsidiaries, threatened in writing and (b) the hours worked by and payments made to employees of Parent and its Restricted Subsidiaries have not, been in violation of the Fair Labor Standards Act or any other applicable Federal, state, local or foreign law dealing with such matters.

Section 3.16. Federal Reserve Regulations. No part of the proceeds of any Loan or any Letter of Credit will be used, whether directly or indirectly, and whether immediately, incidentally or ultimately, for any purpose that results in a violation of the provisions of Regulation U or Regulation X.

Section 3.17. Anti-Terrorism Laws.

(a) (i) None of Parent or any of its Restricted Subsidiaries nor, to the knowledge of Parent, any director, officer, agent, employee or controlled Affiliate of Parent or any Restricted Subsidiary is a Sanctioned Person; and (ii) the Borrower will not directly or, to its knowledge, indirectly, use the proceeds of the Loans or otherwise make available such proceeds to any Sanctioned Person, for the purpose of financing the activities of any Sanctioned Person, or in any Sanctioned Country, except to the extent licensed or otherwise authorized under U.S. law.

(b) Parent and each Restricted Subsidiary is in compliance with applicable Sanctions and the USA PATRIOT Act in all material respects.

(c) No part of the proceeds of any Loan will be used, directly or, to the knowledge of Parent, indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or any other person or entity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the U.S. Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption law.

(d) Parent has implemented and maintains policies and procedures reasonably designed to ensure compliance by Parent and its Subsidiaries with all applicable anti-corruption laws and Sanctions.

(e) As of the Closing Date, to the best knowledge of Parent, the information included in the Beneficial Ownership Certification provided on or prior to the Closing Date to any Lender in connection with this Agreement is true and correct in all material respects.

ARTICLE 4 CONDITIONS

Section 4.01. Closing Date. The obligations of (i) each Lender to make Loans and (ii) any Issuing Bank to issue Letters of Credit shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) Credit Agreement and Loan Documents. The Administrative Agent (or its counsel) shall have received from each Loan Party party thereto (i) a counterpart signed by each such Loan Party (or written evidence reasonably satisfactory to the Administrative Agent (which may include a copy transmitted by facsimile or other electronic method) that such party has signed a counterpart) of (A) this Agreement, (B) the Security Agreement, (C) the Loan Guaranty and (D) any Promissory Note requested by a Lender at least three Business Days prior to the Closing Date and (ii) a Borrowing Request as required by Section 2.03.

(b) Legal Opinions. The Administrative Agent (or its counsel) shall have received, on behalf of itself, the Lenders and each Issuing Bank on the Closing Date, a customary written opinion of Davis Polk & Wardwell LLP, in its capacity as special New York counsel to the Loan Parties, dated the Closing Date and addressed to the Administrative Agent, the Lenders and each Issuing Bank.

(c) [Reserved].

(d) Closing Certificates; Certified Charters; Good Standing Certificates. The Administrative Agent (or its counsel) shall have received (i) a certificate of each Loan Party, dated the Closing Date and executed by a secretary, assistant secretary or other senior officer (as the case may be) thereof, which shall (A) certify that attached thereto is a true and complete copy of the resolutions or written consents of its shareholders, board of directors, board of managers, members or other governing body authorizing the execution, delivery and performance of the Loan Documents to which it is a party and, in the case of the Borrower, the borrowings and issuance of Promissory Notes (if any) hereunder, and that such resolutions or written consents have not been modified, rescinded or amended and are in full force and effect, (B) identify by name and title and bear the signatures of the officers, managers, directors or authorized signatories of such Loan Party authorized to sign the Loan Documents to which it is a party on the Closing Date and (C) certify (x) that attached thereto is a true and complete copy of the certificate or articles of incorporation or organization (or memorandum of association or other equivalent thereof) of such Loan Party certified by the relevant authority of the jurisdiction of organization of such Loan Party and a true and correct copy of its by-laws or operating, management, partnership or similar agreement and (y) that such documents or agreements have not been amended (except as otherwise attached to such certificate and certified therein as being the only amendments thereto as of such date) and (ii) a good standing (or equivalent) certificate (if applicable) as of a recent date for such Loan Party from the relevant authority of its jurisdiction of organization.

(e) [Reserved].

(f) Fees. Prior to or substantially concurrently with the funding of the Initial Term Loans hereunder, the Administrative Agent shall have received (i) all fees required to be paid by the Borrower on the Closing Date pursuant to the Fee Letter and any separate letter agreement with respect to fees payable to the Administrative Agent and (ii) all expenses required to be paid by the Borrower for which invoices have been presented at least three Business Days prior to the Closing Date (including the reasonable and documented fees and expenses of a single legal counsel for the Administrative Agent), in each case on or before the Closing Date, which amounts, in the Borrower's sole discretion, may be offset against the proceeds of the Loans or may be paid from the proceeds of the Initial Term Loans.

(g) Daylight Term Loan Fees. Prior to or substantially concurrently with the funding of the Daylight Term Loans hereunder, the Daylight Term Lenders shall have received all fees required to be paid by the Term Loan Borrower on the Closing Date pursuant to any letter agreement with respect to fees payable to the Daylight Term Lenders, which amounts may be offset against the proceeds of the Daylight Term Loans or may be paid from the proceeds of the Daylight Term Loans.

(h) [Reserved].

(i) [Reserved].

(j) Solvency. The Administrative Agent shall have received a certificate dated as of the Closing Date in substantially the form of Exhibit M from the chief financial officer (or other officer with reasonably equivalent responsibilities) of Parent certifying as to the matters set forth therein (or, at the option of Parent, a third party opinion as to the solvency of Parent and its Subsidiaries on a consolidated basis issued by a nationally recognized firm).

(k) Perfection Certificate. Subject to the last paragraph of this Section 4.01, the Administrative Agent shall have received a completed Perfection Certificate dated the Closing Date and signed by a Responsible Officer of each Loan Party (or by Parent on behalf of each Loan Party), together with all attachments contemplated thereby.

(l) Pledged Stock; Stock Powers; Pledged Notes. The Administrative Agent (or its bailee) shall have received (i) the certificates representing the Capital Stock required to be pledged pursuant to the Security Agreement, together with an undated stock or similar power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof and (ii) each Material Debt Instrument (if any) required to be pledged pursuant to the Security Agreement endorsed (without recourse) in blank (or accompanied by an executed transfer form in blank) by the pledgor thereof.

(m) Filings Registrations and Recordings. Except to the extent perfected Liens shall be permitted to be created after the Closing Date pursuant to Section 5.15(c), each document (including any UCC financing statement) required by any Collateral Document or under law to be filed, registered or recorded in order to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a perfected Lien on the Collateral required to be delivered pursuant to such Collateral Document, shall be in proper form for filing, registration or recordation.

(n) Transactions. In connection with the initial funding of the Loans hereunder, the Corporate Reorganization and the IPO shall be consummated in all material respects on the terms described in the Form S-1.

(o) [Reserved].

(p) USA PATRIOT Act. No later than three Business Days in advance of the Closing Date, the Administrative Agent shall have received all documentation and other information reasonably requested in writing by the Administrative Agent with respect to any Loan Party at least ten Business Days in advance of the Closing Date, which documentation or other information is required by U.S. regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act (including if the Borrower qualifies as a "legal entity customer" under the "Beneficial Ownership Regulations" (31 CFR §1010.230), a Beneficial Ownership Certification in relation to the Borrower). "Beneficial Ownership Certification" means a certification regarding individual beneficial ownership solely to the extent required by 31 CFR §1010.230.

For purposes of determining whether the conditions specified in this Section 4.01 have been satisfied on the Closing Date, by funding the Loans hereunder, the Administrative Agent and each Lender that has executed this Agreement (or an Assignment and Assumption on the Closing Date) shall be deemed to have consented to, approved or accepted, or to be satisfied with, each document or other matter required hereunder to be consented to or approved by or acceptable or satisfactory to the Administrative Agent or such Lender, as the case may be.

Section 4.02. Each Credit Extension. The obligation of each Lender to make a Credit Extension (which, for the avoidance of doubt (including for purposes of the last paragraph of this Section 4.02), shall (x) include the extension of the Daylight Term Loans and the Initial Term Loans on the Closing Date but (y) not include (A) any Incremental Loans advanced in connection with any acquisition, other Investment or irrevocable repayment or redemption of Indebtedness and/or (B) any Credit Extension under any Incremental Facility Amendment, Refinancing Amendment and/or Extension Amendment, in each case to the extent not otherwise required by the lenders in respect of thereof) is subject solely to the satisfaction of the following conditions:

(a) (i) In the case of a Borrowing, the Administrative Agent shall have received a Borrowing Request as required by Section 2.03 or (ii) in the case of the issuance of a Letter of Credit, the applicable Issuing Bank and the Administrative Agent shall have received a notice requesting the issuance of such Letter of Credit as required by Section 2.05(b).

(b) The representations and warranties of the Loan Parties set forth in this Agreement and the other Loan Documents shall be true and correct in all material respects (other than in respect of representations and warranties that are subject to a "materiality" or "Material Adverse Effect" qualifier, in which case such representations and warranties will be true and correct in all respects) on and as of the date of any such Credit Extension with the same effect as though such representations and warranties had been made on and as of the date of such Credit Extension; provided that to the extent that any representation and warranty specifically refers to a given date or period, it shall be true and correct in all material respects as of such date or for such period.

(c) At the time of and immediately after giving effect to the applicable Credit Extension, no Default or Event of Default shall have occurred and be continuing.

Except as set forth in the lead-in language of this Section 4.02, each Credit Extension shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in paragraphs (b) and (c) of this Section.

ARTICLE 5 AFFIRMATIVE COVENANTS

From the Closing Date until the date on which all Commitments have expired or terminated and the principal of and interest on each Loan and all fees, expenses and other amounts payable under any

Loan Document (other than contingent indemnification and expense reimbursement obligations for which no claim or demand has been made) have been paid in full in Cash and all Letters of Credit have expired or have been terminated (or have been (x) collateralized or back-stopped by a letter of credit in a manner reasonably satisfactory to the relevant Issuing Bank or (y) deemed reissued under another agreement in a manner reasonably satisfactory to the Administrative Agent and the relevant Issuing Bank) and all LC Disbursements have been reimbursed (such date, the "**Termination Date**"), Parent and the Borrower hereby covenant and agree with the Lenders that:

Section 5.01. Financial Statements and Other Reports. The Borrower will deliver to the Administrative Agent for delivery by the Administrative Agent, subject to Section 9.05(f), to each Lender:

(a) Quarterly Financial Statements. As soon as available, and in any event within 45 days after the end of each of the first three Fiscal Quarters of each Fiscal Year, commencing with the Fiscal Quarter ending [March 31], 2020, the unaudited consolidated balance sheet of Parent as at the end of such Fiscal Quarter and the related unaudited consolidated statements of income and cash flows of Parent for such Fiscal Quarter and for the period from the beginning of the then current Fiscal Year to the end of such Fiscal Quarter and, commencing with the Fiscal Quarter ending [March 31], 2021, setting forth, in reasonable detail, in comparative form the corresponding figures for the corresponding periods of the previous Fiscal Year, all in reasonable detail, together with a Responsible Officer Certification with respect thereto; provided that such financial statements shall only be required to reflect Parent's good faith estimate of any purchase accounting adjustments relating to any acquisition consummated after the Closing Date until the Fiscal Quarter ending December 31 of the Fiscal Year following the Fiscal Year in which the relevant acquisition was consummated;

(b) Annual Financial Statements. As soon as available, and in any event within 90 days after the end of each Fiscal Year ending after the Closing Date, (i) the consolidated balance sheet of Parent as at the end of such Fiscal Year and the related consolidated statements of income, stockholders' equity and cash flows of Parent for such Fiscal Year and, commencing after the completion of the second full Fiscal Year ended after the Closing Date, setting forth, in reasonable detail, in comparative form the corresponding figures for the previous Fiscal Year and (ii) with respect to such consolidated financial statements, a report thereon of an independent certified public accountant of recognized national standing or another accounting firm reasonably acceptable to the Administrative Agent (which report shall be unqualified as to "going concern" and scope of audit (except for any such qualification pertaining to, or disclosure of an exception or qualification resulting from, the maturity (or impending maturity) of any Credit Facility or any other Indebtedness occurring within one year of the date of delivery of the relevant audit opinion, any breach or anticipated breach of any financial covenant or the activities, operations, financial results, assets or liabilities of any Unrestricted Subsidiary) but may include a "going concern" or "emphasis of matter" explanatory paragraph or like statement, and shall state that such consolidated financial statements fairly present, in all material respects, the consolidated financial position of Parent as at the dates indicated and its income and cash flows for the periods indicated in conformity with GAAP);

(c) Compliance Certificate; Unrestricted Subsidiaries. (i) At the end of each Fiscal Quarter or Fiscal Year, within five Business Days after the delivery of financial statements pursuant to Section 5.01(a) or 5.01(b) with respect to such Fiscal Quarter or Fiscal Year, as applicable, a duly executed and completed Compliance Certificate and (ii) within five Business Days after the delivery of financial statements pursuant to Section 5.01(b), (A) a summary (which may be in footnote form) of the pro forma adjustments (if any) necessary to eliminate the accounts of Unrestricted Subsidiaries (if any) from such financial statements and (B) a list identifying each subsidiary of Parent as a Restricted Subsidiary or an Unrestricted Subsidiary as of the date of delivery of such financial statements or

confirming that there is no change in such information since the later of the Closing Date and the most recent prior delivery of such information;

(d) [Reserved];

(e) Notice of Default and Event of Default. Promptly upon any Responsible Officer of Parent obtaining knowledge of (i) any Default, (ii) any Event of Default or (ii) the occurrence of any event or change that has caused or evidences or would reasonably be expected to cause or evidence a Material Adverse Effect, a reasonably detailed notice specifying the nature and period of existence of such condition, event or change and what action Parent has taken, is taking and proposes to take with respect thereto;

(f) Notice of Litigation. Promptly upon any Responsible Officer of Parent obtaining knowledge of the institution of any Adverse Proceeding not previously disclosed in writing by Parent to the Administrative Agent that would reasonably be expected to have a Material Adverse Effect, written notice thereof by Parent together with such other non-privileged information as may be reasonably available to the Loan Parties to enable the Lenders to evaluate such matters;

(g) ERISA. Promptly upon any Responsible Officer of Parent becoming aware of: (i) the occurrence of any ERISA Event that would reasonably be expected to have a Material Adverse Effect, a written notice specifying the nature thereof; or (ii) promptly after the request by the Administrative Agent or any Lender, copies (to the extent in possession of a Loan Party) of (A) any documents described in Section 101(k)(1) of ERISA that the Borrower, Parent, its Restricted Subsidiaries or any ERISA Affiliate may request with respect to any Multiemployer Plan and (B) any notices described in Section 101(l)(1) of ERISA that the Borrower, Parent, its Restricted Subsidiaries or any ERISA Affiliate may request with respect to any Multiemployer Plan; provided that if Borrower, Parent, its Restricted Subsidiaries or any ERISA Affiliate has not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, Borrower, Parent, its Restricted Subsidiaries or any ERISA Affiliate shall, as promptly as practicable after receiving such request from the Administrative Agent or the Lender, make a request for such documents or notices from such administrator or sponsor and shall provide copies of such documents and notices promptly after the receipt thereof;

(h) [Reserved];

(i) Information Regarding Collateral. Promptly (and, in any event, within 45 days of the relevant change or such later date as the Administrative Agent may agree) written notice of any change (i) in any Loan Party's legal name, (ii) in any Loan Party's type of organization, (iii) in any Loan Party's jurisdiction of organization or (iv) in any Loan Party's organizational identification number, in each case to the extent such information is necessary to enable the Administrative Agent to perfect or maintain the perfection and priority of its security interest in the Collateral of the relevant Loan Party;

(j) Certain Reports. Promptly upon their becoming publicly available and without duplication of any obligations with respect to any such information that is otherwise required to be delivered under the provisions of any Loan Document, copies of (i) all financial statements, material reports, material notices and proxy statements sent or made available generally by Parent to its security holders acting in such capacity and (ii) all material regular and periodic reports and all material registration statements (other than on Form S-8 or a similar form) and prospectuses, if any, filed by Parent or any of its Restricted Subsidiaries with any securities exchange or with the SEC or any analogous governmental or private regulatory authority with jurisdiction over matters relating to securities (other than any prospectuses relating to any equity plan, any amendments to any registration statement (to the

extent such registration statement, in the form it became effective, is delivered), exhibits to any registration statement and, if applicable, any registration statement on Form S-8 or a similar form); provided that no such delivery shall be required hereunder with respect to any of the foregoing to the extent that such are publicly available via EDGAR or another publicly available reporting service; and

(k) Other Information. Such other certificates, reports and information (financial or otherwise) as the Administrative Agent may reasonably request from time to time regarding the financial condition or business of Parent and its Restricted Subsidiaries; provided, however, that none of Parent or any Restricted Subsidiary shall be required to disclose or provide any information (i) that constitutes non-financial trade secrets or non-financial proprietary information of Parent or any of its subsidiaries or any of their respective customers and/or suppliers, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or any of their respective representatives) is prohibited by any applicable Requirement of Law, (iii) that is subject to attorney-client or similar privilege or constitutes attorney work product or (iv) in respect of which Parent or any Restricted Subsidiary owes confidentiality obligations to any third party (provided such confidentiality obligations were not entered into solely in contemplation of the requirements of this Section 5.01(k)); provided, further, that in the event Parent does not provide any certificate, report or information requested pursuant to this clause (k) in reliance on the preceding proviso, Parent shall provide notice to the Administrative Agent that such certificate, report or information is being withheld and Parent shall use commercially reasonable efforts to describe, to the extent both feasible and permitted under applicable Requirements of Law or confidentiality obligations, or without waiving such privilege, as applicable, the applicable certificate, report or information.

Documents required to be delivered pursuant to this Section 5.01 may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (1) on which Parent (or a representative thereof) (x) posts such documents or (y) provides a link thereto at the website address listed on Schedule 9.01 (as updated from time to time); provided that, other than with respect to items required to be delivered pursuant to Section 5.01(j) above, Parent shall promptly notify (which notice may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents or a link thereto on such website and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents; (ii) on which such documents are delivered by Parent to the Administrative Agent for posting on behalf of Parent on IntraLinks, SyndTrak or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); (vii) on which such documents are faxed to the Administrative Agent (or electronically mailed to an address provided by the Administrative Agent); or (iii) in respect of the items required to be delivered pursuant to Section 5.01(j) above in respect of information filed by Parent or any of its Restricted Subsidiaries with any securities exchange or with the SEC or any analogous governmental or private regulatory authority with jurisdiction over matters relating to securities (other than Form 10-Q Reports and Form 10-K Reports), on which such items have been made available on the SEC website or the website of the relevant analogous governmental or private regulatory authority or securities exchange.

No financial statement required to be delivered pursuant to Section 5.01(a) or (b) shall be required to include acquisition accounting adjustments relating to the Transactions or any Permitted Acquisition or other Investment to the extent it is not practicable to include any such adjustments in such financial statement.

Section 5.02. Existence. Except as otherwise permitted under Section 6.07, Parent will cause each of its Restricted Subsidiaries to, at all times preserve and keep in full force and effect its existence and all rights, franchises, licenses and permits material to its business except, other than with respect to the preservation of the existence of Parent and the Borrower, to the extent that the failure to do so would not reasonably be expected to result in a Material Adverse Effect; provided that neither Parent nor any of

Parent's Restricted Subsidiaries shall be required to preserve any such existence (other than with respect to the preservation of existence of Parent and the Borrower, except as otherwise permitted under Section 6.07), right, franchise, license or permit if a Responsible Officer of such Person or such Person's board of directors (or similar governing body) determines that the preservation thereof is no longer desirable in the conduct of the business of such Person, and that the loss thereof is not disadvantageous in any material respect to such Person or to the Lenders.

Section 5.03. Payment of Taxes. Parent will, and will cause each of its Restricted Subsidiaries to, pay all Taxes imposed upon it or any of its properties or assets or in respect of any of its income or businesses or franchises before any penalty or fine accrues thereon; provided that no such Tax need be paid if (a) it is being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, so long as (i) adequate reserves or other appropriate provisions, as are required in conformity with GAAP, have been made therefor and (ii) in the case of a Tax which has or may become a Lien against a material portion of the Collateral, such contest proceedings conclusively operate to stay the sale of such portion of the Collateral to satisfy such Tax or (b) failure to pay or discharge the same would not reasonably be expected to result in a Material Adverse Effect.

Section 5.04. Maintenance of Properties. The Borrower will, and will cause each of its Restricted Subsidiaries to, maintain or cause to be maintained in good repair, working order and condition, ordinary wear and tear and casualty and condemnation excepted, all material tangible property reasonably necessary to the normal conduct of business of Parent and its Restricted Subsidiaries and from time to time will make or cause to be made all needed and appropriate repairs, renewals and replacements thereof except as expressly permitted by this Agreement or where the failure to maintain such tangible properties or make such repairs, renewals or replacements would not reasonably be expected to have a Material Adverse Effect.

Section 5.05. Insurance. Except where the failure to do so would not reasonably be expected to have a Material Adverse Effect, Parent will maintain or cause to be maintained, in each case, as determined by Parent in good faith, with financially sound and reputable insurers, such insurance coverage with respect to liabilities, losses or damage in respect of the assets, properties and businesses of Parent and its Restricted Subsidiaries as may customarily be carried or maintained under similar circumstances by Persons of established reputation engaged in similar businesses, in each case in such amounts (giving effect to self-insurance), with such deductibles, covering such risks and otherwise on such terms and conditions as shall be customary for such Persons, including, but only if required by applicable law or regulation, flood insurance with respect to each Flood Hazard Property, in each case in compliance with Flood Insurance Laws. Each such policy of insurance shall (i) name the Administrative Agent on behalf of the Lenders as a loss payee or an additional insured, as applicable, thereunder as its interests may appear and (ii) to the extent available from the relevant insurance carrier, in the case of each casualty insurance policy (excluding any business interruption insurance policy), contain a loss payable clause or endorsement that names the Administrative Agent, on behalf of the Lenders, as the loss payee thereunder and, to the extent available, provide for at least 30 days' prior written notice to the Administrative Agent of any modification or cancellation of such policy (or 10 days' prior written notice in the case of the failure to pay any premiums thereunder); provided that Parent shall have 45 days after the Closing Date (or such later date as agreed by the Administrative Agent) to comply with the requirements of the foregoing clauses (i) and (ii) with respect to policies in effect on the Closing Date.

Section 5.06. Inspections. Parent will, and will cause each of its Restricted Subsidiaries to, permit any authorized representative designated by the Administrative Agent to visit and inspect any of the properties of Parent and any of its Restricted Subsidiaries at which the principal financial records and executive officers of the applicable Person are located, to inspect, copy and take extracts from its and their respective financial and accounting records, and to discuss its and their respective affairs, finances

and accounts with its and their Responsible Officers and independent public accountants (subject to such accountants' customary policies and procedures) (provided that Parent (or any of its subsidiaries) may, if it so chooses, have one or more employees or representatives be present at or participate in any such discussion), all upon reasonable notice and at reasonable times during normal business hours; provided that (x) only the Administrative Agent on behalf of the Lenders may exercise the rights of the Administrative Agent and the Lenders under this Section 5.06, (y) the Administrative Agent shall not exercise such rights more often than one time during any calendar year and (z) only one such time per calendar year shall be at the expense of Parent; provided, further, that when an Event of Default exists, the Administrative Agent (or any of its representatives or independent contractors) may do any of the foregoing at the expense of Parent at any time during normal business hours and upon reasonable advance notice; provided, further that notwithstanding anything to the contrary herein, neither Parent nor any Restricted Subsidiary shall be required to disclose, permit the inspection, examination or making of copies of or taking abstracts from, or discuss any document, information or other matter (i) that constitutes non-financial trade secrets or non-financial proprietary information of Parent and its subsidiaries and/or any of its customers and/or suppliers, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or any of their respective representatives or contractors) is prohibited by applicable law, (iii) that is subject to attorney-client or similar privilege or constitutes attorney work product or (iv) in respect of which Parent or any Restricted Subsidiary owes confidentiality obligations to any third party (provided such confidentiality obligations were not entered into solely in contemplation of the requirements of this Section 5.06); provided, further, that in the event any of the circumstances described in the preceding proviso exist, Parent shall provide notice to the Administrative Agent thereof and shall use commercially reasonable efforts to describe, to the extent both feasible and permitted under applicable Requirements of Law or confidentiality obligations, or without waiving such privilege, as applicable, the applicable document, information or other matter.

Section 5.07. Maintenance of Book and Records. Parent will, and will cause its Restricted Subsidiaries to, maintain proper books of record and account containing entries of all material financial transactions and matters involving the assets and business of Parent and its Restricted Subsidiaries that are full, true and correct in all material respects and permit the preparation of consolidated financial statements in accordance with GAAP.

Section 5.08. Compliance with Laws. Parent will comply, and will cause each of its Restricted Subsidiaries to comply, with the requirements of all applicable laws, rules, regulations and orders of any Governmental Authority (including ERISA and all Environmental Laws), except to the extent the failure of Parent or the relevant Restricted Subsidiary to comply would not reasonably be expected to have a Material Adverse Effect.

Section 5.09. Hazardous Materials Activity.

(a) Parent will deliver to the Administrative Agent:

(i) as soon as reasonably practicable following receipt by Borrower thereof, copies of all written environmental audits, investigations, analyses and reports of any kind or character, whether prepared by personnel of Parent or any of its Restricted Subsidiaries or by independent consultants, governmental authorities or any other Persons, with respect to any Environmental Liabilities or Hazardous Materials Activity that, in each case would reasonably be expected to have a Material Adverse Effect;

(ii) reasonably promptly following Parent becoming aware of the occurrence thereof, written notice describing in reasonable detail (A) any Release required to be reported by Parent or any of its Restricted Subsidiaries to any federal, state or local governmental or

regulatory agency under any applicable Environmental Law, (B) any remedial action taken by or on behalf of Parent or any of its Restricted Subsidiaries in response to any Hazardous Materials Activity or Environmental Claim, or (C) any pending or threatened in writing Environmental Claim, that in the case of each of (A), (B) and (C) above, would reasonably be expected to have a Material Adverse Effect; and

(iii) reasonably promptly following the sending or receipt thereof by Parent or any of its Restricted Subsidiaries, a copy of any and all written communications with respect to any Release required to be reported by Parent or any of its Restricted Subsidiaries to any federal, state or local governmental or regulatory agency or any Release required to be remediated pursuant to any Environmental Law, that in each case would reasonably be expected to have a Material Adverse Effect.

(b) Parent shall reasonably promptly take, and shall cause each of its Restricted Subsidiaries reasonably promptly to take, any and all actions reasonably necessary to (i) cure any violation of Environmental Law by Parent or any of its Restricted Subsidiaries, and, to the extent required by Environmental Law, address with appropriate corrective or remedial action any Release or threatened Release of any Hazardous Material at or from any Facility in each case that would reasonably be expected to have a Material Adverse Effect and (ii) make an appropriate response to any Environmental Claim against Parent or any of its Restricted Subsidiaries and discharge any obligations it may have to any Person thereunder, in each case where failure to do so would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; provided that it shall not be deemed to be a violation of this Section 5.09 if Parent or its Restricted Subsidiaries are in good faith contesting such violation, corrective or remedial action or Environmental Claim in accordance with applicable Environmental Law.

Section 5.10. Designation of Subsidiaries. Parent may at any time after the Closing Date designate (or re-designate) any subsidiary as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary; provided that as of the date of the designation thereof, no Unrestricted Subsidiary shall own any Capital Stock in any Restricted Subsidiary (unless such Restricted Subsidiary is also designated as an Unrestricted Subsidiary simultaneously with the aforementioned designation in accordance with the terms of this Section 5.10) or hold any Indebtedness of or any Lien on any property of Parent or its Restricted Subsidiaries (unless Parent or such Restricted Subsidiary is permitted hereunder to incur such Indebtedness or grant such Lien in favor of such Unrestricted Subsidiary). The designation of any subsidiary as an Unrestricted Subsidiary shall constitute an Investment by Parent therein at the date of designation in an amount equal to the portion of the fair market value of the net assets of such Restricted Subsidiary attributable to Parent's equity interest therein as estimated by Parent in good faith (and such designation shall only be permitted to the extent such Investment is permitted under Section 6.06); provided that if any subsidiary (a "**Subject Subsidiary**") being designated as an Unrestricted Subsidiary has a subsidiary that was previously designated as an Unrestricted Subsidiary (the "**Previously Designated Unrestricted Subsidiary**") in compliance with the provisions of this Agreement, the Investment of such Subject Subsidiary in such Previously Designated Unrestricted Subsidiary shall not be taken into account, and shall be excluded, in determining whether the Subject Subsidiary may be designated as an Unrestricted Subsidiary hereunder. The designation of any Unrestricted Subsidiary as a Restricted Subsidiary shall constitute the incurrence or making, as applicable, at the time of designation of any then-existing Investment, Indebtedness or Lien of such Restricted Subsidiary, as applicable; provided that upon a re-designation of any Unrestricted Subsidiary as a Restricted Subsidiary, Parent shall be deemed to continue to have an Investment in the resulting Restricted Subsidiary in an amount (if positive) equal to (a) Parent's "Investment" in such Restricted Subsidiary at the time of such re-designation less (b) the portion of the fair market value of the net assets of such Restricted Subsidiary attributable to Parent's equity therein at the time of such re-designation. As of the Closing Date, the subsidiaries listed on Schedule 5.10 hereto have been designated as Unrestricted Subsidiaries.

Section 5.11. Use of Proceeds. The Borrower shall use the proceeds of the Revolving Loans on and after the Closing Date to finance the working capital needs and other general corporate purposes of Parent and its Restricted Subsidiaries (including for capital expenditures, acquisitions, working capital and/or purchase price adjustments, the payment of transaction fees and expenses (in each case, including in connection with the Transactions), other Investments, Restricted Payments, Restricted Debt Payments and related fees and expenses and any other purpose not prohibited by the terms of the Loan Documents). The Borrower shall use the proceeds of the Daylight Term Loans and the Initial Term Loans, directly or indirectly, to settle related company borrowings, including amounts arising as part of the Corporate Reorganization, and to pay Transaction Costs. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that would entail a violation of Regulation U. The Borrower shall use the proceeds of the Incremental Term Loans for working capital, capital expenditures and other general corporate purposes of Parent and its Subsidiaries (including for Restricted Payments, acquisitions and other Investments and any other purpose not prohibited by the terms of the Loan Documents).

Section 5.12. Covenant to Guarantee Obligations and Give Security.

(a) Upon (i) the formation or acquisition after the Closing Date of any Restricted Subsidiary that is a Domestic Subsidiary (in each case, subject to Section 6.06(hh)), (ii) the designation of any Unrestricted Subsidiary that is a Domestic Subsidiary as a Restricted Subsidiary or (iii)any Restricted Subsidiary that is a Domestic Subsidiary ceasing to be an Excluded Subsidiary, (x) if the event giving rise to the obligation under this Section 5.12(a) occurs during the first three Fiscal Quarters of any Fiscal Year, on or before the later of (I) 60 days following the relevant formation, acquisition, designation or cessation and (II) the date on which financial statements are required to be delivered pursuant to Section 5.01(a) for the Fiscal Quarter in which such formation, acquisition, designation or cessation occurred or (y) if the event giving rise to the obligation under this Section 5.12(a) occurs during the fourth Fiscal Quarter of any Fiscal Year, on or before the date that is 60 days after the end of such Fiscal Quarter (or, in the cases of clauses (x) and (y), such longer period as the Administrative Agent may reasonably agree), Parent shall (A) cause such Restricted Subsidiary (other than any Excluded Subsidiary) to comply with the requirements set forth in clause (a) of the definition of "Collateral and Guarantee Requirement" and (B) upon the reasonable request of the Administrative Agent, cause the relevant Restricted Subsidiary (other than any Excluded Subsidiary) to deliver to the Administrative Agent a signed copy of a customary opinion of counsel for such Restricted Subsidiary, addressed to the Administrative Agent and the other relevant Secured Parties.

(b) Within 120 days after the acquisition by any Loan Party of any Material Real Estate Asset other than any Excluded Asset (or such longer period as the Administrative Agent may reasonably agree), Parent shall cause such Loan Party to comply with the requirements set forth in clause (b) of the definition of "Collateral and Guarantee Requirement"; it being understood and agreed that, with respect to any Material Real Estate Asset (other than any Excluded Asset) owned by any Restricted Subsidiary at the time such Restricted Subsidiary is required to become a Loan Party under Section 5.12(a) above, such Material Real Estate Asset shall be deemed to have been acquired by such Restricted Subsidiary on the first day of the time period within which such Restricted Subsidiary is required to become a Loan Party under Section 5.12(a).

Notwithstanding anything to the contrary herein or in any other Loan Document, (i) the Administrative Agent may grant extensions of time (including after the expiration of any relevant period, which apply retroactively) for the creation and perfection of security interests in, or obtaining of title insurance, legal opinions, surveys or other deliverables with respect to, particular assets or the provision of any Loan Guaranty by any Restricted Subsidiary, and each Lender hereby consents to any such extension of time, (ii) any Lien required to be granted from time to time pursuant to the definition of "Collateral and Guarantee Requirement" shall be subject to the exceptions and limitations set forth in the Collateral

Documents, (iii) perfection by control shall not be required with respect to assets requiring perfection through control agreements or other control arrangements, including deposit accounts, securities accounts and commodities accounts (other than control of pledged Capital Stock and/or Material Debt Instruments, in each case, that constitute Collateral) and no blocked account agreement, account control agreement or similar agreement shall be required, (iv) no Loan Party shall be required to seek any landlord waiver, bailee letter, estoppel, warehouseman waiver or other collateral access or similar letter or agreement, (v) no Loan Party will be required to (1) take any action or grant or perfect any security interest in any asset located outside of the U.S. or conduct any foreign lien search, (2) execute any foreign law guarantee, security agreement, pledge agreement, mortgage, deed or charge or (3) make any foreign intellectual property filing, conduct any foreign intellectual property search or prepare any foreign intellectual property schedule with respect to any assets of any Loan Party or enter into any source code escrow arrangement or register any intellectual property, in each case, except with respect to the assets of any Foreign Subsidiary that is designated as a Subsidiary Guarantor pursuant to the definition of such term, (vi) in no event will the Collateral include any Excluded Assets without the consent of Parent, (vii) no action shall be required to perfect any Lien with respect to (x) any vehicle or other asset subject to a certificate of title, or any retention of title, extended retention of title rights, or similar rights and/or (y) Letter-of-Credit Rights, in each case, to the extent that a security interest therein cannot be perfected by filing a Form UCC-1 (or similar) "all assets" financing statement without the requirement to list any VIN, serial or other number and (viii) the Administrative Agent shall not require the taking of a Lien on, or require the perfection of any Lien granted in, those assets as to which the cost (including the cost of any mortgage, stamp, intangibles, or other tax or expense related to such Lien), burden, difficulty or consequence (including any effect on the ability of the relevant Loan Party to conduct its operations and business in the ordinary course of business) of obtaining or perfecting such Lien outweighs the benefit to the Lenders of the security afforded thereby as determined in good faith by Parent and the Administrative Agent.

Additionally, (i) no action shall be required to create or perfect a Lien in any asset in respect of which the creation or perfection of a security interest therein would (1) be prohibited by enforceable anti-assignment provisions set forth in any contract that is permitted or otherwise not prohibited by the terms of this Agreement, (2) violate the terms of any contract relating to such asset that is permitted or otherwise not prohibited by the terms of this Agreement, in each case, after giving effect to the applicable anti-assignment provisions of the UCC or other applicable law or (3) trigger termination of any contract relating to such asset that is permitted or otherwise not prohibited by the terms of this Agreement pursuant to any "change of control" or similar provision, it being understood that the Collateral shall include any proceeds and/or receivables arising out of any contract described in this clause (other than Excluded Assets) to the extent the assignment of such proceeds or receivables is expressly deemed effective under the UCC or other applicable Requirements of Law notwithstanding the relevant prohibition, violation or termination right, (ii) no Loan Party shall be required to create or perfect a security interest in any asset to the extent the creation or perfection of a security interest in such asset would (A) be prohibited under any applicable Requirement of Law, after giving effect to any applicable anti-assignment provision of the UCC or other applicable law and other than proceeds thereof (other than Excluded Assets) to the extent that the assignment of such proceeds is effective under the UCC or other applicable Requirements of Law notwithstanding such Requirement of Law, (B) require any governmental consent, approval, license or authorization (unless such consent, approval, license or authorization has been obtained), after giving effect to any applicable anti-assignment provision of the UCC or other applicable law and other than proceeds thereof (other than Excluded Assets) to the extent that the assignment of such proceeds is effective under the UCC or other applicable Requirements of Law notwithstanding such consent or restriction and/or (C) result in material adverse tax consequences to any Loan Party or any of its subsidiaries as determined by Parent in good faith (iii) any joinder or supplement to any Loan Guaranty, any Collateral Document and/or any other Loan Document executed by any Restricted Subsidiary that is required to become a Loan Party pursuant to Section 5.12(a) above may, with

the consent of the Administrative Agent (not to be unreasonably withheld or delayed), include such schedules (or updates to schedules) as may be necessary to qualify any representation or warranty set forth in any Loan Document to the extent necessary to ensure that such representation or warranty is true and correct to the extent required thereby or by the terms of any other Loan Document; and (iv) (A) no Loan Party will be required to take any action required under the Federal Assignment of Claims Act or any similar law and (B) no Secured Party will be permitted to exercise any right of setoff in respect of any account maintained solely for the purpose of receiving and holding government receivables.

Section 5.13. Maintenance of Ratings. Parent shall use commercially reasonable efforts to maintain public corporate credit facility ratings in respect of the Initial Term Loans and public corporate family ratings in respect of Parent from each of S&P and Moody's; provided that in no event shall Parent be required to maintain any specific rating with any such agency.

Section 5.14. Maintenance of Fiscal Year. Parent shall maintain its Fiscal Year-end as in effect on the Closing Date; provided that Parent may, with the consent of the Administrative Agent (not to be unreasonably withheld or delayed), change its Fiscal Year-end to another date, in which case Parent and the Administrative Agent will, and are hereby authorized to (without requiring the consent of any other Person, including any Lender), make any adjustments to this Agreement that are necessary to reflect such change in Fiscal Year.

Section 5.15. Further Assurances. Promptly upon reasonable request of the Administrative Agent and subject to the limitations described in Section 5.12:

(a) Parent will, and will cause each other Loan Party to, execute any and all further documents, financing statements, agreements, instruments, certificates, notices and acknowledgments and take all such further actions (including the filing and recordation of financing statements, fixture filings, Mortgages and/or amendments thereto and other documents), that may be required under any applicable law and which the Administrative Agent may reasonably request to ensure the perfection and priority of the Liens created or intended to be created under the Collateral Documents, all at the expense of the relevant Loan Parties.

(b) Parent will, and will cause each other Loan Party to, (i) correct any material defect or error that may be discovered in the execution, acknowledgment, filing or recordation of any Collateral Document or other document or instrument relating to any Collateral and (ii) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts (including notices to third parties), deeds, certificates, assurances and other instruments as the Administrative Agent may reasonably request from time to time in order to ensure the creation and perfection of the Liens created under the Collateral Documents.

(c) Parent agrees to deliver or cause to be delivered such documents and instruments, and take or cause to be taken such other actions as may be reasonably necessary to provide the perfected security interests described in the provisos to Section 4.01(a), Section 4.01(l) and Section 4.01(m) that are not so provided on the Closing Date, and in any event to provide such perfected security interests and to satisfy such other conditions within the applicable time periods set forth on Schedule 5.15(c), as such time periods may be extended by the Administrative Agent, in its sole discretion.

Section 5.16. Conduct of Business. Parent and its Restricted Subsidiaries shall engage only in those material lines of business that consist of (a) the businesses engaged in by Parent or any Restricted Subsidiary on the Closing Date, reasonably related, similar, incidental, complementary, ancillary, corollary, synergistic or related businesses, and/or reasonable extensions of such businesses and (b) such other lines of business to which the Administrative Agent may consent.

Section 5.17. Anti-Terrorism Laws. Parent and its Restricted Subsidiaries shall comply, in all material respects, with applicable Sanctions, the USA PATRIOT Act, the U.S. Foreign Corrupt Practices Act of 1977 and any other applicable anti-corruption laws; provided that the requirements set forth in this Section 5.17, as they pertain to compliance by any Foreign Subsidiary with Sanctions and the U.S. Foreign Corrupt Practices Act of 1977 are subject to and limited by any Requirement of Law applicable to such Foreign Subsidiary in its relevant local jurisdiction.

ARTICLE 6 NEGATIVE COVENANTS

From the Closing Date and until the Termination Date has occurred, Parent and the Borrower covenant and agree with the Lenders that:

Section 6.01. Indebtedness. Parent shall not, nor shall it permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise become or remain liable with respect to any Indebtedness, except:

(a) the Secured Obligations (including any Additional Term Loans and any Additional Revolving Loans);

(b) Indebtedness of Parent or any Restricted Subsidiary to Parent or any other Restricted Subsidiary; provided that any such Indebtedness of any Loan Party to any Restricted Subsidiary that is not a Loan Party in excess of $35,000,000 must be expressly subordinated to the Obligations of such Loan Party pursuant to the Affiliate Subordination Agreement or on other terms that are reasonably acceptable to the Administrative Agent;

(c) Indebtedness of any joint venture or Indebtedness of Parent or any Restricted Subsidiary incurred on behalf of any joint venture or any guarantees by Parent or any Restricted Subsidiary of Indebtedness of any joint venture in an aggregate outstanding principal amount for all such Indebtedness not to exceed at any time the greater of $200,000,000 and 30% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period;

(d) Indebtedness arising from any agreement providing for indemnification, adjustment of purchase price or similar obligations (including contingent earn-out or similar obligations), or payment obligations in respect of any non-compete, consulting or similar arrangements, in each case incurred in connection with any Disposition permitted hereunder, any acquisition or other Investment permitted hereunder or consummated prior to the Closing Date or any other purchase of assets or Capital Stock, and Indebtedness arising from guaranties, letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments securing the performance of Parent or any such Restricted Subsidiary pursuant to any such agreement;

(e) Indebtedness of Parent and/or any Restricted Subsidiary (i) pursuant to tenders, statutory obligations (including health, safety and environmental obligations), bids, leases, governmental contracts, trade contracts, surety, indemnity, stay, customs, judgment, appeal, performance, completion and/or return of money bonds or guaranties or other similar obligations incurred in the ordinary course of business and (ii) in respect of letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments to support any of the foregoing items;

(f) Indebtedness of Parent and/or any Restricted Subsidiary in connection with Banking Services (other than any Local Facility), including Banking Services Obligations and incentive, supplier finance or similar programs;

(g) (i) Guarantees by Parent and/or any Restricted Subsidiary of the obligations of suppliers, customers, franchisees, licensees, sublicensees and cross-licensees in the ordinary course of business, (ii) Indebtedness (A) incurred in the ordinary course of business in respect of obligations of Parent and/or any Restricted Subsidiary to pay the deferred purchase price of property or services or progress payments in connection with such property and services or (B) consisting of obligations under deferred purchase price or other similar arrangements incurred in connection with Permitted Acquisitions or any other Investment expressly permitted hereunder and (iii) Indebtedness in respect of letters of credit, bankers' acceptances, bank guaranties or similar instruments supporting trade payables, warehouse receipts or similar facilities entered into in the ordinary course of business;

(h) Guarantees (including any co-issuance) by Parent and/or any Restricted Subsidiary of Indebtedness or other obligations of Parent and/or any Restricted Subsidiary and/or any joint venture with respect to Indebtedness otherwise permitted to be incurred pursuant to this Section 6.01; provided that in the case of any such Guarantee by any Loan Party of the obligations of any non-Loan Party, the related Investment is permitted under Section 6.06;

(i) Indebtedness of Parent and/or any Restricted Subsidiary existing, or pursuant to commitments existing, on the Closing Date and, with respect to any such item of Indebtedness in an aggregate committed or principal amount in excess of $5,000,000, described on Schedule 6.01;

(j) Indebtedness of Restricted Subsidiaries that are not Loan Parties; provided that the aggregate outstanding principal amount of such Indebtedness shall not exceed the greater of $200,000,000 and 30% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period;

(k) Indebtedness of Parent and/or any Restricted Subsidiary consisting of obligations owing under incentive, supply, license, sub-license or similar agreements entered into in the ordinary course of business;

(l) Indebtedness of Parent and/or any Restricted Subsidiary consisting of (i) the financing of insurance premiums, (ii) take-or-pay obligations contained in supply arrangements in the ordinary course of business and/or (iii) obligations to reacquire assets or inventory in connection with customer financing arrangements in the ordinary course of business;

(m) Indebtedness of Parent and/or any Restricted Subsidiary with respect to Finance Leases and purchase money Indebtedness (including mortgage financing, industrial revenue bond, industrial development bond or similar financings) or Indebtedness to finance the construction, purchase, repair, replacement or improvement of any fixed or capital asset;

(n) Indebtedness of any Person that becomes a Restricted Subsidiary or Indebtedness assumed in connection with an acquisition or other Investment permitted hereunder after the Closing Date; provided that (i) such Indebtedness (A) existed at the time such Person became a Restricted Subsidiary or the assets subject to such Indebtedness were acquired and (B) was not created or incurred in anticipation thereof;

(o) Indebtedness of any Foreign Subsidiary incurred under a Local Facility in an aggregate outstanding principal amount not to exceed the greater of $[330,000,000] and [50]% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period;

(p) Parent and its Restricted Subsidiaries may become and remain liable for any Indebtedness extending, refinancing, refunding or replacing any Indebtedness permitted under clauses (a),

(c), (i), (j), (m), (n), (o), (r), (u), (v), (w), (y), (z), and (dd) of this Section 6.01 (in any case, including any extending, refinancing, refunding or replacing Indebtedness incurred in respect thereof, "**Refinancing Indebtedness**") and any subsequent Refinancing Indebtedness in respect thereof; provided that (i) the principal amount of such Refinancing Indebtedness does not exceed the principal amount of the Indebtedness being extended, refinanced, refunded or replaced, except by (A) an amount equal to unpaid accrued interest, penalties and premiums (including tender premiums) thereon *plus* underwriting discounts and other customary fees, commissions and expenses (including upfront fees, original issue discount or initial yield payments) incurred in connection with the relevant extension, refinancing, refunding or replacement, (B) an amount equal to any existing commitments unutilized thereunder and (C) additional amounts permitted to be incurred pursuant to this Section 6.01 (provided that (1) any additional Indebtedness referred to in this clause (C) satisfies the other applicable requirements of this Section 6.01(p) (with additional amounts incurred in reliance on this clause (C) constituting a utilization of the relevant basket or exception pursuant to which such additional amount is permitted) and (2) if such additional Indebtedness is secured, the Lien securing such Indebtedness satisfies the applicable requirements of Section 6.02), (ii) in the case of Refinancing Indebtedness with respect to clauses (a) and (z) (other than (x) customary bridge loans with a maturity date of not longer than one year; provided that any loans, notes, securities or other Indebtedness which are exchanged for or otherwise replace such bridge loans shall be subject to the requirements of this clause (ii), (y) Customary Term A Loans and (z) Refinancing Indebtedness having an aggregate principal amount outstanding not exceeding the greater of $655,000,000 and 100% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period), such Refinancing Indebtedness has (A) a final maturity on or later than (and, in the case of revolving Indebtedness, does not require mandatory commitment reductions, if any, prior to) the earlier of (x) the Latest Term Loan Maturity Date at the time of the incurrence of such Refinancing Indebtedness and (y) the final maturity of the Indebtedness being extended, refinanced, refunded or replaced and (B) other than with respect to revolving Indebtedness, a Weighted Average Life to Maturity equal to or greater than (x) the Weighted Average Life to Maturity of the Indebtedness being extended, refinanced, refunded or replaced or (y) the Weighted Average Life to Maturity of the outstanding Term Loans at the time of the incurrence of such Refinancing Indebtedness,(iii) with respect to any Refinancing Indebtedness with an original principal amount in excess of the Threshold Amount, the terms thereof (excluding pricing, fees, premiums, rate floors, optional prepayment or redemption terms (and, if applicable, subordination terms) and, with respect to Refinancing Indebtedness incurred in respect of Indebtedness permitted under clause (a) above, security) are not, taken as a whole (as determined by Parent in good faith), materially more favorable to the lenders providing such Indebtedness than those applicable to the Indebtedness being extended, refinanced, refunded or replaced (other than any covenants or any other terms or provisions (X) applicable only to periods after the maturity date of the Indebtedness being extended, refinanced, refunded or replaced at the time of the incurrence of such Refinancing Indebtedness, (Y) that are then-current market terms (as determined by Parent in good faith at the time of incurrence or issuance (or the obtaining of a commitment with respect thereto)) for the applicable type of Indebtedness or (Z) solely in the case of Refinancing Indebtedness in respect of Indebtedness incurred in reliance on clauses (a) and/or (z) of this Section 6.01, terms or other provisions which are conformed (or added) to the Loan Documents for the benefit of the Lenders or, as applicable, the Administrative Agent, pursuant to an amendment to this Agreement effectuated in reliance on Section 9.02(c)(ii)), (iv) the incurrence thereof shall be without duplication of any amounts outstanding in reliance on the relevant clause of this Section 6.01 pursuant to which the Indebtedness being extended, refinanced, refunded or replaced was incurred (i.e., the incurrence of such Refinancing Indebtedness shall not create availability under such relevant clause), (v) except in the case of Refinancing Indebtedness incurred in respect of Indebtedness permitted under clause (a) of this Section 6.01, (A) such Indebtedness, if secured, is secured only by Permitted Liens at the time of such extension, refinancing, refunding or replacement (it being understood that secured Indebtedness may be refinanced with unsecured Indebtedness), (B) such Indebtedness is incurred by the obligor or obligors in respect of the Indebtedness being extended, refinanced, refunded or replaced, except to the extent otherwise permitted pursuant to Section 6.01 and

(C) if the Indebtedness being extended, refinanced, refunded or replaced was contractually subordinated to the Obligations in right of payment (or the Liens securing such Indebtedness were contractually subordinated to such Liens on the Collateral securing the Secured Obligations), such Indebtedness is contractually subordinated to the Obligations in right of payment (or the Liens securing such Indebtedness are subordinated to the Liens on the relevant Collateral securing the Secured Obligations) either (x) on terms not materially less favorable, taken as a whole, to the Lenders than those applicable to the Indebtedness (or Liens, as applicable) being extended, refinanced, refunded or replaced, taken as a whole (as determined by Parent in good faith) or (y) pursuant to an Acceptable Intercreditor Agreement, (vi) except in the case of Refinancing Indebtedness with respect to clause (a) of this Section 6.01, as of the date of the incurrence of such Indebtedness and after giving effect thereto, there shall exist no Specified Event of Default and (vii) in the case of Refinancing Indebtedness incurred in respect of Indebtedness permitted under clause (a) of this Section 6.01, (A) such Refinancing Indebtedness is *pari passu* or junior in right of payment and secured by the Collateral on a *pari passu* or junior basis with respect to the remaining Obligations hereunder, or is unsecured; provided that any such Refinancing Indebtedness that is *pari passu* or junior with respect to the Collateral shall be subject to an Acceptable Intercreditor Agreement, (B) if such Refinancing Indebtedness is secured, it is not secured by any assets other than the Collateral, (C) if such Refinancing Indebtedness is Guaranteed, it shall not be Guaranteed by any Person other than a Loan Party and (D) such Refinancing Indebtedness is incurred under (and pursuant to) documentation other than this Agreement, it being understood and agreed that any such Refinancing Indebtedness may participate (x) in any voluntary prepayment of Term Loans as set forth in Section 2.11(a)(i) and (y) in any mandatory prepayment of Term Loans as set forth in Section 2.11(b)(vi);

(q) endorsement of instruments or other payment items for collection or deposit in the ordinary course of business;

(r) Indebtedness in respect of any Additional Letter of Credit Facility in an aggregate principal or face amount at any time outstanding not to exceed the greater of $135,000,000 and 20% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period;

(s) Indebtedness of Parent and/or any Restricted Subsidiary under any Derivative Transaction not entered into for speculative purposes;

(t) Indebtedness of any Foreign Subsidiary incurred in the ordinary course of business under a working capital facility; provided that such Indebtedness is not Guaranteed by any Domestic Subsidiary (other than a Borrower) or secured by any assets other than the assets of Foreign Subsidiaries;

(u) Indebtedness of Parent and/or any Restricted Subsidiary in an aggregate outstanding principal amount at any time outstanding not to exceed the greater of $330,000,000 and 50% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period;

(v) Indebtedness of Parent and/or any Restricted Subsidiary in an aggregate outstanding principal amount not to exceed 100% of the amount of any capital contributions or other proceeds received by Parent or any Restricted Subsidiary (i) from the issuance or sale of its Qualified Capital Stock or (ii) in the form of any cash contribution, *plus* the fair market value, as determined by Parent in good faith, of Cash Equivalents, marketable securities or other property received by Parent or any Restricted Subsidiary from the issuance and sale by it of its Qualified Capital Stock or a contribution to the Qualified Capital Stock of Parent or any Restricted Subsidiary (including through consolidation, amalgamation or merger), in each case after the Closing Date, and in each case other than (A) any proceeds received from the sale of Capital Stock to, or contributions from, Parent or any of its Restricted Subsidiaries, (B) to the extent the relevant proceeds have otherwise been applied to make Investments,

Restricted Payments or Restricted Debt Payments hereunder and (C) Cure Amounts and/or any Available Excluded Contribution Amount;

(w) Indebtedness arising under any Receivables Facility;

(x) [reserved];

(y) Indebtedness of Parent and/or any Restricted Subsidiary incurred in connection with any Sale and Lease-Back Transaction;

(z) Incremental Equivalent Debt;

(aa) Indebtedness (including obligations in respect of letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments with respect to such Indebtedness) incurred by Parent and/or any Restricted Subsidiary in respect of workers' compensation claims (or reimbursement type obligations regarding workers' compensation claims), unemployment insurance (including premiums related thereto), other types of social security, pension obligations, vacation pay, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance;

(bb) Indebtedness of Parent and/or any Restricted Subsidiary representing (i) deferred compensation to Permitted Payees in the ordinary course of business and (ii) deferred compensation or other similar arrangements in connection with any Permitted Acquisition or any other Investment permitted hereby;

(cc) Indebtedness of Parent and/or any Restricted Subsidiary in respect of any letter of credit or bank guarantee issued in favor of any issuing bank to support any Defaulting Lender's participation in Letters of Credit issued hereunder or under any Additional Letter of Credit Facility;

(dd) Indebtedness of Parent or any Restricted Subsidiary supported by any Letter of Credit issued hereunder or under any Additional Letter of Credit Facility;

(ee) unfunded pension fund and other employee benefit plan obligations and liabilities incurred by Parent and/or any Restricted Subsidiary in the ordinary course of business to the extent that the unfunded amounts would not otherwise cause an Event of Default under Section 7.01(i);

(ff) without duplication of any other Indebtedness, all premiums (if any), interest (including post-petition interest and payment in kind interest), accretion or amortization of original issue discount, fees, expenses and charges with respect to Indebtedness of Parent and/or any Restricted Subsidiary hereunder;

(gg) [reserved];

(hh) customer deposits and advance payments received in the ordinary course of business from customers for goods and services purchased in the ordinary course of business;

(ii) Indebtedness (other than for borrowed money) not otherwise permitted under this Section 6.01 subject to Liens permitted by Section 6.02;

(jj) (i) Indebtedness in connection with bankers' acceptances, discounted bills of exchange or the discounting or factoring of receivables for credit management purposes, in each case incurred or undertaken in the ordinary course of business on arm's-length commercial terms and (ii) the

incurrence of Indebtedness attributable to the exercise of appraisal rights or the settlement of any claims or actions (whether actual, contingent or potential) with respect to the Transactions or any other acquisition (by merger, consolidation or amalgamation or otherwise) in accordance with the terms hereof; and

(kk) obligations in respect of letters of support, guarantees or similar obligations issued, made or incurred for the benefit of any Restricted Subsidiary of Parent to the extent required by law or in connection with any statutory filing or the delivery of audit opinions performed in jurisdictions other than within the United States.

Section 6.02. Liens. The Borrower shall not, nor shall it permit any of its Restricted Subsidiaries to, create, incur, assume or permit or suffer to exist any Lien on or with respect to any property of any kind owned by it, whether now owned or hereafter acquired, or any income or profits therefrom, except:

(a) Liens created pursuant to the Loan Documents securing the Secured Obligations (including (i) any Local Facility and (ii) any Cash collateralization of Letters of Credit as set forth in Section 2.05);

(b) Liens for Taxes or other governmental charges which are not overdue for a period of more than 60 days or, if more than 60 days overdue (i) are being contested in accordance with Section 5.03 or (ii) with respect to which the failure to make payment would not reasonably be expected to have a Material Adverse Effect;

(c) statutory or common law Liens (and rights of set-off) of landlords, sub landlords, construction contractors, banks, carriers, warehousemen, mechanics, repairmen, workmen and materialmen, and other Liens imposed by applicable Requirements of Law (other than any Lien imposed pursuant to Section 430(k) of the Code or Section 303(k) of ERISA or a violation of Section 436 of the Code), in each case incurred in the ordinary course of business (i) for amounts not yet overdue by more than 60 days, (ii) for amounts that are overdue by more than 60 days (A) that are being contested in good faith by appropriate proceedings, so long as any reserves or other appropriate provisions required by GAAP have been made for any such contested amounts or (B) with respect to which no filing or other action has been taken to enforce such Lien or (iii) with respect to which the failure to make payment would not reasonably be expected to have a Material Adverse Effect;

(d) Liens incurred (i) in the ordinary course of business in connection with workers' compensation, unemployment insurance, health, disability or employee benefits and other types of social security laws and regulations, (ii) in the ordinary course of business to secure the performance of tenders, statutory obligations, surety, stay, customs and appeal bonds, bids, leases, government contracts, trade contracts (including customer contracts), indemnitees, performance, completion and return-of-money bonds and other similar obligations (including those to secure health, safety and environmental obligations) (in each case, exclusive of obligations for the payment of borrowed money), (iii)pursuant to pledges and deposits of Cash or Cash Equivalents in the ordinary course of business securing (x) any liability for reimbursement (including in respect of deductibles, self-insurance retention amounts and premiums and adjustments related thereto) or indemnification obligations of insurance brokers or carriers providing property, casualty, liability or other insurance or self-insurance to Parent and its subsidiaries (including deductibles, self-insurance, co-payment, co-insurance and retentions) or (y) leases, sub-leases, licenses or sub-licenses of property otherwise permitted by this Agreement and (iv) to secure obligations in respect of letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments posted with respect to the items described in clauses (i) through (iii) above;

(e) Liens consisting of easements, covenants, conditions, site plan agreements, development agreements, operating agreements, cross-easement agreements, reciprocal easement agreements and encumbrances, applicable laws and municipal ordinances, rights-of-way, rights, waivers, reservations, restrictions, encroachments, servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables and other similar protrusions or encumbrances, agreements and other similar matters of fact or record and matters that would be disclosed by a survey or inspection of any real property and other minor defects or irregularities in title, in each case (x) which do not, in the aggregate, materially interfere with the ordinary conduct of the business of Parent and/or its Restricted Subsidiaries, taken as a whole or (y) where the failure to have such title would not reasonably be expected to have a Material Adverse Effect;

(f) Liens consisting of any (i) interest or title of a lessor, sub-lessor, licensor or sub-licensor under any lease, sub-lease, license, sub-license or similar arrangement of real estate or other property (including any technology, intellectual property or IP Rights) permitted hereunder, (ii) landlord lien arising by law or permitted by the terms of any lease, sub-lease, license, sub-license or similar arrangement, (iii) restriction or encumbrance to which the interest or title of such lessor, sub-lessor, licensor or sub-licensor may be subject, (iv) subordination of the interest of the lessee, sub-lessee, licensee or sub-licensee under such lease, sub-lease, license, sub-license or similar arrangement to any restriction or encumbrance referred to in the preceding clause (iii) or (v) deposit of cash with the owner or lessor of premises leased and operated by Parent or any Restricted Subsidiary in the ordinary course of business to secure the performance of obligations under the terms of the lease for such premises;

(g) Liens (i) solely on any Cash (or Cash Equivalent) earnest money deposits (including as part of any escrow arrangement) made by Parent and/or any of its Restricted Subsidiaries in connection with any letter of intent or purchase agreement with respect to any Investment permitted hereunder (or to secure letters of credit, bank guarantees or similar instruments posted in respect thereof), (ii) on advances of Cash or Cash Equivalents in favor of the seller of any property to be acquired in an Investment permitted pursuant to Section 6.06 to be applied against the purchase price for such Investment or (iii) consisting of (A) an agreement to Dispose of any property in a Disposition permitted under Section 6.07 and/or (B) the pledge of Cash or Cash Equivalents as part of an escrow or similar arrangement required in any Disposition permitted under Section 6.07;

(h) precautionary or purported Liens evidenced by the filing of UCC financing statements or similar financing statements under applicable Requirements of Law relating solely to (i) Non-Financing Lease Obligations or consignment or bailee arrangements entered into in the ordinary course of business, (ii) the sale of accounts receivable in the ordinary course of business for which a UCC financing statement or similar financing statement under applicable Requirements of Law is required and/or (iii) the sale of Receivables Facility Assets and related assets in connection with any Qualified Receivables Facility;

(i) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(j) Liens in connection with any zoning, building or similar Requirement of Law or right reserved to or vested in any Governmental Authority to control or regulate the use of any dimensions of real property or any structure thereon, including Liens in connection with any condemnation or eminent domain proceeding or compulsory purchase order;

(k) Liens securing Indebtedness permitted pursuant to Section 6.01(p) (solely with respect to the permitted extension, refinancing, refunding or replacement of Indebtedness permitted

pursuant to Sections 6.01(a), (c), (i), (j), (m), (n), (o), (r), (u), (v), (w), (y), (z) and (dd); provided that (i) no such Lien extends to any asset not covered by the Lien securing the Indebtedness that is being refinanced other than (A) after-acquired property that is affixed or incorporated into the property covered by such Lien and (B) proceeds and products thereof, replacements, accessions or additions thereto and improvements thereon (it being understood that such extensions, refinancings, refundings or replacements of individual financings of the type permitted under Section 6.01(m) provided by any lender may be cross-collateralized to other financings of such type provided by such lender or its affiliates) and (ii) if the Indebtedness being refinanced was subject to intercreditor arrangements in respect of Liens on Collateral, then any refinancing Indebtedness in respect thereof secured by Liens on Collateral shall be subject to intercreditor arrangements not materially less favorable to the Secured Parties, taken as a whole, than the intercreditor arrangements governing the Indebtedness that is refinanced or the intercreditor arrangements governing the relevant refinancing Indebtedness shall be set forth in an Acceptable Intercreditor Agreement;

(l) Liens existing on the Closing Date and, with respect to each such Lien securing Indebtedness in an aggregate committed or principal amount in excess of $5,000,000, described on Schedule 6.02 and any modification, replacement, refinancing, renewal or extension thereof; provided that (i) no such Lien extends to any additional property other than (A) after-acquired property that is affixed or incorporated into the property covered by such Lien and (B) proceeds and products thereof, replacements, accessions or additions thereto and improvements thereon (it being understood that individual financings of the type permitted under Section 6.01(m) provided by any lender may be cross-collateralized to other financings of such type provided by such lender or its affiliates) and (ii) any such modification, replacement, refinancing, renewal or extension of the obligations secured or benefited by such Liens, if constituting Indebtedness, is permitted by Section 6.01;

(m) Liens arising out of any Sale and Lease Back Transactions permitted hereunder, solely with respect to the assets sold and leased back in such transaction;

(n) Liens securing Indebtedness permitted pursuant to Section 6.01(m); provided that any such Lien shall encumber only the asset acquired, constructed, repaired, replaced or improved with the proceeds of such Indebtedness and proceeds and products thereof, replacements, accessions or additions thereto and improvements thereon and customary security deposits with respect thereto (it being understood that individual financings of the type permitted under Section 6.01(m) provided by any lender may be cross-collateralized to other financings of such type provided by such lender or its affiliates);

(o) Liens securing Indebtedness permitted pursuant to Section 6.01(n) on the relevant acquired assets or on the Capital Stock and assets of the relevant acquired Restricted Subsidiary; provided that no such Lien (x) extends to or covers any other assets (other than the proceeds or products thereof, replacements, accessions or additions thereto and improvements thereon, it being understood that individual financings of the type permitted under Section 6.01(m) provided by any lender may be cross-collateralized to other financings of such type provided by such lender or its affiliates) or (y) was created in contemplation of the applicable acquisition of assets or Capital Stock or of such Restricted Subsidiary becoming a Restricted Subsidiary;

(p) (i) Liens that are contractual rights of set-off or netting relating to (A) the establishment of depositary relations with banks or other financial institutions not granted in connection with the issuance of Indebtedness, (B) pooled deposit or sweep accounts of Parent and/or any Restricted Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of Parent and/or any Restricted Subsidiary, (C) purchase orders and other agreements entered into with customers of Parent and/or any Restricted Subsidiary in the ordinary course of business and (D) commodity trading or other brokerage accounts incurred in the ordinary course of business, (ii) Liens

encumbering reasonable customary initial deposits and margin deposits, (iii) bankers Liens and rights and remedies as to Deposit Accounts or similar accounts, (iv) Liens of a collection bank arising under Section 4-208 or Section 4-210 of the UCC (or any similar Requirement of Law of any jurisdiction) on items in the ordinary course of business, (v) Liens (including rights of set-off) in favor of banking or other financial institutions arising as a matter of Law or under customary general terms and conditions encumbering deposits or other funds maintained with a financial institution and that are within the general parameters customary in the banking industry or arising pursuant to such banking institution's general terms and conditions and (vi) Liens on the proceeds of any Indebtedness permitted hereunder incurred in connection with any transaction permitted hereunder, which proceeds have been deposited into an escrow account on customary terms to secure such Indebtedness pending the application of such proceeds to finance such transaction or on Cash or Cash Equivalents set aside at the time of the incurrence of such Indebtedness to the extent such Cash or Cash Equivalents prefund the payment of interest or fees on such Indebtedness and are held in escrow pending application for such purpose;

(q) Liens on assets and Capital Stock of Restricted Subsidiaries that are not Loan Parties (including Capital Stock owned by such Persons) securing Indebtedness or other obligations of Restricted Subsidiaries that are not Loan Parties permitted pursuant to Section 6.01 (or not prohibited under this Agreement);

(r) Liens securing obligations (other than obligations representing Indebtedness for borrowed money) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business of Parent and/or its Restricted Subsidiaries;

(s) Liens securing Indebtedness permitted under Section 6.01(t); provided that any such Lien shall only encumber assets of Foreign Subsidiaries;

(t) Liens on the Collateral securing Indebtedness incurred pursuant to Section 6.01(z); provided that the holders of such Indebtedness (or a representative thereof) shall be party to an Acceptable Intercreditor Agreement;

(u) other Liens on assets securing Indebtedness or other obligations in an aggregate principal amount at any time outstanding not to exceed the greater of $330,000,000 and 50% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period; provided that, with respect to any such Liens on Collateral (including, but not limited to, Liens securing such Indebtedness on a *pari passu* basis with the Initial Term Loans), the holders of such Indebtedness (or a representative thereof) shall be party to an Acceptable Intercreditor Agreement;

(v) (i) Liens on assets securing judgments, awards, attachments and/or decrees and notices of *lis pendens* and associated rights relating to litigation being contested in good faith not constituting an Event of Default under Section 7.01(h) and (ii) any cash deposits securing any settlement of litigation;

(w) (i) leases, licenses, subleases, sublicenses or cross-licenses granted to others, (ii) assignments of IP Rights granted to a customer of Parent or any Restricted Subsidiary in the ordinary course of business which do not secure any Indebtedness or (iii) the rights reserved or vested in any Person (including any Governmental Authority) by the terms of any lease, sub-lease, license, sub-license, franchise, grant or permit held by Parent or any of the Restricted Subsidiaries or by a statutory provision, to terminate any such lease, sub-lease, license, sub-license, franchise, grant or permit, or to require annual or periodic payments as a condition to the continuance thereof;

(x) Liens on Securities or other assets that are the subject of repurchase agreements constituting Investments permitted under Section 6.06 arising out of such repurchase transaction;

(y) Liens securing obligations in respect of letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments permitted under Sections 6.01(d), (e), (g), (aa) and (cc);

(z) Liens arising (i) out of conditional sale, title retention, consignment or similar arrangements for the sale of any assets or property and bailee arrangements in the ordinary course of business and permitted by this Agreement or (ii) by operation of law under Article 2 of the UCC (or any similar Requirement of Law of any jurisdiction);

(aa) Liens (i) in favor of any Loan Party and/or (ii) granted by any non-Loan Party in favor of any Restricted Subsidiary that is not a Loan Party and/or any joint venture, in the case of each of clauses (i) and (ii), securing intercompany Indebtedness or other intercompany obligations permitted under Section 6.01 or Section 6.09 ;

(bb) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(cc) Liens on specific items of inventory or other goods and the proceeds thereof securing the relevant Person's obligations in respect of documentary letters of credit or banker's acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or goods;

(dd) Liens consisting of pledges of Cash or Cash Equivalents in an amount not to exceed the greater of $140,000,000 and 20% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period securing (i) obligations under Hedge Agreements in connection with any Derivative Transaction of the type described in Section 6.01(s), (ii) obligations of the type described in Section 6.01(f) and/or (iii) obligations of the type described in Section 6.01(r);

(ee) (i) Liens on Capital Stock of joint ventures or Unrestricted Subsidiaries securing capital contributions to, or obligations of, such Persons and (ii) customary rights of first refusal and tag, drag and similar rights in joint venture agreements and agreements with respect to non-Wholly-Owned Subsidiaries;

(ff) Liens on Cash or Cash Equivalents arising in connection with the defeasance, discharge or redemption of Indebtedness;

(gg) [reserved];

(hh) Liens on assets not constituting Collateral;

(ii) Liens on Receivables Facility Assets (or granted by a Receivables Subsidiary) incurred in connection with a Receivables Facility;

(jj) undetermined or inchoate Liens, rights of distress and charges incidental to current operations that have not at such time been filed or exercised, or which relate to obligations not due or payable or, if due, the validity of such Liens are being contested in good faith by appropriate actions diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;

(kk) with respect to any Foreign Subsidiary, Liens and privileges arising mandatorily by any Requirement of Law; provided such Liens and privileges extend only to the assets or Capital Stock of such Foreign Subsidiary;

(ll) ground leases or subleases in respect of real property on which facilities owned or leased by Parent or any of its Restricted Subsidiaries are located;

(mm) Liens that are customary in the business of Parent and its Restricted Subsidiaries and that do not secure debt for borrowed money;

(nn) security given to a public or private utility or any Governmental Authority as required in the ordinary course of business;

(oo) receipt of progress payments and advances from customers in the ordinary course of business to the extent the same creates a Lien on the related inventory and proceeds;

(pp) Liens in the nature of the right of setoff in favor of counterparties to contractual agreements with the Restricted Subsidiaries in the ordinary course of business;

(qq) Liens granted pursuant to a security agreement between Parent or any Restricted Subsidiary and a licensee of IP Rights to secure the damages, if any, incurred by such licensee resulting from the rejection of the license of such licensee in a bankruptcy, reorganization or similar proceeding with respect to Parent or such Restricted Subsidiary; and

(rr) Liens arising solely in connection with rights of dissenting equity holders pursuant to any Requirement of Law in respect of any Permitted Acquisition or other Investment.

Section 6.03. No Further Negative Pledges. Parent shall not, nor shall it permit any of its Restricted Subsidiaries that are Loan Parties to, enter into any agreement prohibiting in any material respect the creation or assumption of any Lien upon any of its properties (other than Excluded Assets), whether now owned or hereafter acquired, for the benefit of the Secured Parties with respect to the Obligations, except with respect to:

(a) restrictions relating to any asset (or all of the assets) of and/or the Capital Stock of Parent and/or any Restricted Subsidiary which are imposed pursuant to an agreement entered into in connection with any Disposition or other transfer, lease, sub-lease, license or sub-license of such asset (or assets) and/or all or a portion of the Capital Stock of the relevant Person that is permitted or not restricted by this Agreement;

(b) restrictions contained in the Loan Documents, any Incremental Equivalent Debt, any Receivables Facility (limited to the assets securing the Indebtedness arising thereunder) or any Additional Letter of Credit Facility (limited to the assets securing the Indebtedness arising thereunder) (and clause (p) of Section 6.01 to the extent relating to any extension, refinancing, refunding or replacement of any of the foregoing);

(c) restrictions contained in any documentation governing any other Indebtedness permitted by Section 6.01 to the extent such restrictions (1)(x) are, taken as a whole, in the good-faith judgment of Parent, not materially more restrictive as concerning Parent or any Restricted Subsidiary than customary market terms for Indebtedness of such type or (y) are not materially more restrictive, taken as a whole, than the restrictions contained in this Agreement (as determined by Parent in good faith) and (2)

will not materially impair Parent's obligation or ability to make any payments required hereunder (as determined by Parent in good faith);

(d) restrictions by reason of customary provisions restricting assignments, subletting, licensing, sublicensing or other transfers (including the granting of any Lien) contained in leases, subleases, licenses, sublicenses, joint venture agreements, asset sale agreements, trading, netting, operating, construction, service, supply, purchase, sale or other agreements entered into in the ordinary course of business (each of the foregoing, a "**Covered Agreement**") (provided that such restrictions are limited to the relevant Covered Agreement and/or the property or assets secured by such Liens or the property or assets subject to such Covered Agreement);

(e) Permitted Liens and restrictions in the agreements relating thereto that limit the right of Parent or any of its Restricted Subsidiaries to Dispose of or encumber the assets subject to such Liens;

(f) provisions limiting the Disposition, distribution or encumbrance of assets or property in joint venture agreements, sale and lease-back agreements, stock sale agreements and other similar agreements, which limitation is applicable only to the assets that are the subject of such agreements (or the Persons the Capital Stock of which is the subject of such agreement (or any "shell company" parent with respect thereto));

(g) any encumbrance or restriction assumed in connection with an acquisition of the property or Capital Stock of any Person, so long as such encumbrance or restriction relates solely to the Person and its subsidiaries (including the Capital Stock of the relevant Person or Persons) and/or property so acquired (or to the Person or Persons (and its or their subsidiaries) bound thereby) and was not created solely in connection with or in anticipation of such acquisition;

(h) restrictions imposed by customary provisions in partnership agreements, limited liability company organizational governance documents, joint venture agreements and other similar agreements that restrict the transfer of the assets of, or ownership interests in, the relevant partnership, limited liability company, joint venture or any similar Person (or any "shell company" parent with respect thereto);

(i) restrictions on Cash, Cash Equivalents or other deposits permitted under Section 6.02 and/or 6.06 and any net worth or similar requirements, including such restrictions or requirements imposed by Persons under contracts entered into in the ordinary course of business or for whose benefit such Cash or other deposits or net worth requirements exist, including any Banking Services;

(j) restrictions (i) set forth in documents which exist on the Closing Date or (ii) which are contemplated as of the Closing Date, in each case, as set forth on Schedule 6.03;

(k) restrictions contained in documents governing Indebtedness of any Restricted Subsidiary that is not a Loan Party permitted hereunder;

(l) [reserved];

(m) provisions restricting the granting of a security interest in IP Rights contained in licenses, sublicenses or cross-licenses by Parent and its Restricted Subsidiaries of such IP Rights, which licenses, sublicenses and cross-licenses were entered into in the ordinary course of business (in which case such restriction shall relate only to such IP Rights);

(n) restrictions arising under or as a result of applicable Requirements of Law or the terms of any license, authorization, concession or permit issued or granted by a Governmental Authority;

(o) restrictions with respect to a Restricted Subsidiary that was previously an Unrestricted Subsidiary, pursuant to or by reason of an agreement that such Restricted Subsidiary is a party to or entered into before the date on which such Subsidiary became a Restricted Subsidiary; provided that such agreement was not entered into in anticipation of an Unrestricted Subsidiary becoming a Restricted Subsidiary and any such restriction does not extend to any assets or property of Parent or any other Restricted Subsidiary other than the assets and property of such Subsidiary;

(p) customary restrictions imposed in connection with any Receivables Facility or similar transaction permitted hereunder; and

(q) other restrictions or encumbrances imposed by any amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing of the contracts, instruments or obligations referred to in clauses (a) through (p) above; provided that no such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing is, in the good faith judgment of Parent, materially more restrictive with respect to such encumbrances and other restrictions, taken as a whole, than those in effect prior to the relevant amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

Section 6.04. Restricted Payments; Certain Payments of Indebtedness.

(a) Parent shall not pay or make, directly or indirectly, any Restricted Payment, except that:

(i) Parent may pay for the repurchase, redemption, retirement or other acquisition or retirement for value of Capital Stock of Parent held by any Permitted Payee:

(A) [reserved];

(B) with the proceeds of any sale or issuance of, or of any capital contribution in respect of, the Capital Stock of Parent; *plus*

(C) with the proceeds of any key-man life insurance policies; *plus*

(D) with the amount of any Cash bonuses otherwise payable to any Permitted Payee that are foregone in exchange for the receipt of Capital Stock of Parent pursuant to any compensation, arrangement including any deferred compensation plan;

(ii) Parent may make Restricted Payments in an amount not to exceed (A) the portion, if any, of the Available Amount on such date that Parent elects to apply to this clause (ii)(A) *plus* (B) the portion, if any, of the Available Excluded Contribution Amount on such date that Parent elects to apply to this clause (ii)(B) (*plus*, without duplication of amounts referred to in this clause (B), in an amount equal to the Net Proceeds from a Disposition of property or assets acquired after the Closing Date, if the acquisition of such property or assets was financed with Available Excluded Contribution Amounts);

(iii) [reserved];

(iv) Parent may repurchase, redeem, acquire or retire Capital Stock upon (or make provisions for withholdings in connection with) the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock if such Capital Stock represents all or a portion of the exercise price of, or tax withholdings with respect to, such warrants, options or other securities convertible into or exchangeable for Capital Stock as part of a "cashless" exercise;

(v) Parent may make Restricted Payments the proceeds of which are applied on the Closing Date, solely to effect the consummation of the Transactions;

(vi) Parent may make Restricted Payments with respect to any Capital Stock in an amount in any given Fiscal Year not to exceed (A) the greater of (x) $75,000,000 and (y) an amount equal to 6% of the Market Capitalization of Parent at the time of declaration thereof minus (B) any utilization of the Available RP Capacity Amount in reliance on unused capacity under immediately preceding clause (A);

(vii) Parent may make Restricted Payments to (i) redeem, repurchase, defease, discharge, retire or otherwise acquire any Capital Stock ("**Treasury Capital Stock**") of Parent and/or any Restricted Subsidiary in exchange for, or out of the proceeds of the substantially concurrent sale (other than to Parent and/or any Restricted Subsidiary) of, Qualified Capital Stock of Parent in respect of Qualified Capital Stock ("**Refunding Capital Stock**") and (ii) declare and pay dividends on any Treasury Capital Stock out of the proceeds of the substantially concurrent sale or issuance (other than to Parent or a Restricted Subsidiary) of any Refunding Capital Stock;

(viii) to the extent constituting a Restricted Payment, Parent may consummate any transaction permitted by Section 6.06 (other than Section 6.06(j)), Section 6.07 (other than Section 6.07(g)) and Section 6.09 (other than Section 6.09(d));

(ix) Parent may make additional Restricted Payments in an aggregate amount not to exceed (A) the greater of $230,000,000 and 35% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period minus (B) any utilization of the Available RP Capacity Amount in reliance on unused capacity under immediately preceding clause (A);

(x) Parent may pay any dividend or other distribution or consummate any redemption within 60 days after the date of the declaration thereof or the provision of a redemption notice with respect thereto, as the case may be, if at the date of such declaration or notice, the dividend, distribution or redemption contemplated by such declaration or redemption notice would have complied with the provisions of this Section 6.04(a);

(xi) Parent may make any Restricted Payment constituting the distribution or payment of Receivables Fees;

(xii) Parent may make additional Restricted Payments so long as, as measured at the time provided for in Section 1.04(e), (i) the Total Leverage Ratio would not exceed 4.00:1.00, calculated on a Pro Forma Basis and (ii) there shall exist no Specified Event of Default hereunder;

(xiii) [reserved];

(xiv) For any taxable period for which Parent and/or any of its Subsidiaries or joint ventures are members of a consolidated, combined or similar income tax group for

U.S. federal and/or applicable state or local income tax purposes (a "**Tax Group**"), Parent and each of its Subsidiaries may make additional Restricted Payments the proceeds of which shall be used by the common parent of such Tax Group to pay the portion of any U.S. federal, state or local income Taxes of such Tax Group, or any franchise taxes imposed in lieu thereof, for such taxable period that are attributable to the income of Parent and/or its Subsidiaries and joint ventures (including pursuant to any Tax sharing agreement entered into by Parent and any of its Subsidiaries);

(xv) [reserved];

(xvi) Parent may make a distribution, by dividend or otherwise, of the Capital Stock of, or debt owed to any Loan Party or any Restricted Subsidiary by, any Unrestricted Subsidiary (or a Restricted Subsidiary that owns one or more Unrestricted Subsidiaries, provided that such Restricted Subsidiary owns no other material assets other than Capital Stock of one or more Unrestricted Subsidiaries); provided that any such Capital Stock or debt that represents an Investment by Parent or any Restricted Subsidiary shall be deemed to continue to charge (as utilization) the respective clause under Section 6.06 pursuant to which such Investment was made;

(xvii) Parent may make payments and distributions to satisfy dissenters' rights (including in connection with, or as a result of, the exercise of appraisal rights and the settlement of any claims or actions (whether actual, contingent or potential) in respect thereof), pursuant to or in connection with any acquisition, merger, consolidation, amalgamation or Disposition that complies with Section 6.07 or any other transaction permitted hereunder;

(xviii) Parent may make a Restricted Payment to holders of any class or series of Disqualified Capital Stock of Parent that is issued in accordance with Section 6.01; and

(xix) Parent may make a Restricted Payment in respect of withholding or similar U.S. or non-U.S. Taxes with respect to any Permitted Payee's compensation and/or any repurchases of Capital Stock in consideration of such payments, including deemed repurchases in connection with the exercise of stock options or the issuance of restricted stock units or similar stock-based awards.

(b) Parent shall not, nor shall it permit any Restricted Subsidiary to, make any prepayment in Cash on or in respect of principal of or interest on any Restricted Debt, including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Restricted Debt more than one year prior to the scheduled maturity date thereof (collectively, "**Restricted Debt Payments**"), except:

(i) any refinancing, purchase, defeasance, redemption, repurchase, repayment or other acquisition or retirement of any Restricted Debt made by exchange for, or out of the proceeds of, Refinancing Indebtedness permitted by Section 6.01;

(ii) payments as part of, or to enable another Person to make, an "applicable high yield discount obligation" catch-up payment;

(iii) payments of regularly scheduled principal and interest and payments of fees, expenses and indemnification obligations as and when due (other than payments with respect to Junior Indebtedness that are prohibited by the subordination provisions thereof);

(iv) additional Restricted Debt Payments in an aggregate amount not to exceed (A)(1) the greater of (x) $230,000,000 and (y) 35% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period *minus* (2) any utilization of the Available RDP Capacity Amount in reliance on unused capacity under the immediately preceding clause (A)(1) *plus* (B) the Available RP Capacity Amount;

(v) (A) Restricted Debt Payments in exchange for, or with proceeds of any issuance of, Qualified Capital Stock of Parent and/or any Restricted Subsidiary and/or any capital contribution in respect of Qualified Capital Stock of Parent or any Restricted Subsidiary (other than issuances to or contributions by Parent or any Restricted Subsidiaries), (B) Restricted Debt Payments as a result of the conversion of all or any portion of any Restricted Debt into Qualified Capital Stock of Parent and/or any Restricted Subsidiary and (C) to the extent constituting a Restricted Debt Payment, payment-in-kind interest with respect to any Restricted Debt that is permitted under Section 6.01;

(vi) Restricted Debt Payments in an aggregate amount not to exceed (A) the portion, if any, of the Available Amount on such date that Parent elects to apply to this clause (vi)(A) *plus* (B) the portion, if any, of the Available Excluded Contribution Amount on such date that Parent elects to apply to this clause (vi)(B) (*plus*, without duplication of amounts previously referred to in this clause (B), in an amount equal to the Net Proceeds from a Disposition of property or assets acquired after the Closing Date, if the acquisition of such property or assets was financed solely with Available Excluded Contribution Amounts); and

(vii) additional Restricted Debt Payments so long as, as measured at the time provided for in Section 1.04(e), (i) the Total Leverage Ratio would not exceed 4.00:1.00, calculated on a Pro Forma Basis and (ii) there shall exist no Specified Event of Default.

Section 6.05. [Reserved].

Section 6.06. Investments. Parent shall not, nor shall it permit any of its Restricted Subsidiaries to, make any Investment in any other Person except:

(a) Investments in assets that are Cash or Cash Equivalents, or investments that were Cash or Cash Equivalents at the time made;

(b) (i) Investments existing on the Closing Date and any modification, replacement, renewal or extension thereof so long as no such modification, replacement, renewal or extension thereof increases the amount of such Investment except as otherwise permitted by this Section 6.06 and (ii) Investments made after the Closing Date among Parent and/or one or more Restricted Subsidiaries, or in any Person that will, upon such Investment, become a Restricted Subsidiary;

(c) Investments (i) constituting deposits, prepayments and/or other credits to suppliers or other trade counterparties, (ii) made in connection with obtaining, maintaining or renewing client and customer contracts and/or (iii) in the form of advances made to distributors, suppliers, licensors and licensees, in each case, in the ordinary course of business or, in the case of clause (iii), to the extent necessary to maintain the ordinary course of supplies to Parent or any Restricted Subsidiary;

(d) Investments in (i) any Unrestricted Subsidiary (including any joint venture that is an Unrestricted Subsidiary) in an aggregate outstanding amount not to exceed the greater of $200,000,000 and 30% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period and (ii) any Similar Business (including any joint venture engaged in a Similar Business) in an aggregate

outstanding amount not to exceed the greater of $165,000,000 and 25% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period;

(e) (i) Permitted Acquisitions and (ii) Investments in Restricted Subsidiaries that are not Loan Parties in amounts required to permit such Restricted Subsidiaries to consummate Permitted Acquisitions;

(f) (i) Investments existing on, or contractually committed to or contemplated as of, the Closing Date and, with respect to any such Investment in excess of $5,000,000, described on Schedule 6.06 and (ii) any modification, replacement, renewal or extension of any Investment described in clause (i) above so long as no such modification, renewal or extension thereof increases the amount of such Investment except by the terms thereof or as otherwise permitted by this Section 6.06;

(g) Investments received in lieu of Cash in connection with any Disposition permitted by Section 6.07 or any other disposition of assets not constituting a Disposition;

(h) loans or advances to Permitted Payees to the extent permitted by Requirements of Law, in connection with such Person's purchase of Capital Stock of Parent, either (i) in an aggregate principal amount not to exceed the greater of $100,000,000 and 15% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period at any one time outstanding, (ii) so long as the proceeds of such loan or advance are substantially contemporaneously contributed to Parent for the purchase of such Capital Stock or (iii) so long as no Cash or Cash Equivalents are advanced in connection with such loan or advance;

(i) Investments consisting of rebates and extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business;

(j) Investments consisting of (or resulting from) Indebtedness permitted under Section 6.01 (including guarantees thereof) (other than Indebtedness permitted under Sections 6.01(b) and (h)), Permitted Liens, Restricted Payments permitted under Section 6.04 (other than Section 6.04(a)(viii)), Restricted Debt Payments permitted by Section 6.04 and mergers, consolidations, amalgamations, liquidations, windings up, dissolutions or Dispositions permitted by Section 6.07 (other than Section 6.07(a)(i) (if made in reliance on subclause (iii)(y) of the proviso thereto)), Section 6.07(b) (if made in reliance on clause (ii) of the proviso thereto), Section 6.07(c)(ii) (if made in reliance on clause (B) therein) and Section 6.07(g);

(k) Investments in the ordinary course of business consisting of endorsements for collection or deposit and customary trade arrangements with customers, vendors, suppliers, licensors, sublicensors, licensees and sublicensees;

(l) Investments (including debt obligations and Capital Stock) received (i) in connection with the bankruptcy, work-out, reorganization or recapitalization of any Person, (ii) in settlement or compromise of delinquent obligations of, or other disputes with or judgments against, customers, trade-creditors, suppliers, licensees and other account debtors arising in the ordinary course of business, including pursuant to any plan of reorganization or similar arrangement upon bankruptcy or insolvency of any customer, trade creditor, supplier, licensee or other account debtor, (iii) in satisfaction of judgments against other Persons, (iv) as a result of foreclosure with respect to any secured Investment or other transfer of title with respect to any secured Investment and/or (v) in settlement, compromise or resolution of litigation, arbitration or other disputes;

(m) loans and advances of payroll payments or other compensation to present or former employees, directors, members of management, officers, managers or consultants of Parent or its subsidiaries (to the extent such payments or other compensation relate to services provided to Parent (but excluding, for the avoidance of doubt, the portion of any such amount, if any, attributable to the ownership or operations of any subsidiary of Parent other than Parent and/or its subsidiaries)) and/or any subsidiary in the ordinary course of business;

(n) Investments to the extent that payment therefor is made solely with Capital Stock (other than Disqualified Capital Stock) of Parent, in each case, to the extent not resulting in a Change of Control;

(o) (i) Investments of any Restricted Subsidiary acquired after the Closing Date, or of any Person acquired by, or merged into or consolidated or amalgamated with, Parent or any Restricted Subsidiary after the Closing Date, in each case as part of an Investment otherwise permitted by this Section 6.06 to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger, amalgamation or consolidation and were in existence on the date of the relevant acquisition, merger, amalgamation or consolidation and (ii) any modification, replacement, renewal or extension of any Investment permitted under clause (i) of this Section 6.06(o) so long as no such modification, replacement, renewal or extension thereof increases the amount of such Investment except as otherwise permitted by this Section 6.06;

(p) Investments made in connection with the Transactions on the Closing Date;

(q) Investments made after the Closing Date by Parent and/or any of its Restricted Subsidiaries in an aggregate amount at any time outstanding not to exceed:

(i) the greater of $235,000,000 and 35% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period, *plus*

(ii) the Available RP Capacity Amount *plus* the Available RDP Capacity Amount, *plus*

(iii) in the event that (A) Parent or any of its Restricted Subsidiaries makes any Investment after the Closing Date in any Person that is not a Restricted Subsidiary and (B) such Person subsequently becomes a Restricted Subsidiary, an amount equal to 100.0% of the fair market value of such Investment as of the date on which such Person becomes a Restricted Subsidiary;

(r) Investments made after the Closing Date by Parent and/or any of its Restricted Subsidiaries in an aggregate outstanding amount not to exceed (i) the portion, if any, of the Available Amount on such date that Parent elects to apply to this clause (r)(i) *plus* (ii) the portion, if any, of the Available Excluded Contribution Amount on such date that Parent elects to apply to this clause (r)(ii) (*plus*, without duplication of amounts referred to in this clause (ii), in an amount equal to the Net Proceeds from a Disposition of property or assets acquired after the Closing Date, if the acquisition of such property or assets was financed with Available Excluded Contribution Amounts);

(s) (i) Guarantees of leases or subleases (in each case other than Finance Leases) or of other obligations not constituting Indebtedness, (ii) Guarantees of the lease obligations of suppliers, customers, franchisees and licensees of Parent and/or its Restricted Subsidiaries, in each case, in the ordinary course of business and (iii) Investments consisting of Guarantees of any supplier's obligations in

respect of commodity contracts, including Hedge Agreements, solely to the extent such commodities related to the materials or products to be purchased by Parent or any Restricted Subsidiary;

(t) [reserved];

(u) Investments made by any Restricted Subsidiary that is not a Loan Party with the proceeds received by such Restricted Subsidiary from an Investment made by any Loan Party in such Restricted Subsidiary pursuant to this Section 6.06 (other than Investments made pursuant to clause (ii) of Section 6.06(e));

(v) [reserved];

(w) Investments arising under or in connection with any Derivative Transaction of the type permitted under Section 6.01(s);

(x) Investments made (i) in joint ventures or Unrestricted Subsidiaries, (ii) in connection with the creation, formation and/or acquisition of any joint venture or (iii) in any Restricted Subsidiary to enable such Restricted Subsidiary to create, form and/or acquire any joint venture, in an aggregate outstanding amount under this clause (x) not to exceed the greater of $165,000,000 and 25% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period;

(y) Investments made in joint ventures as required by, or made pursuant to, buy/sell arrangements between the joint venture parties set forth in joint venture agreements and similar binding arrangements in effect on the Closing Date or entered into after the Closing Date in the ordinary course of business;

(z) unfunded pension fund and other employee benefit plan obligations and liabilities to the extent that they are permitted to remain unfunded under applicable Requirements of Law;

(aa) Investments in Parent, any subsidiary and/or any joint venture in connection with intercompany cash management arrangements and related activities in the ordinary course of business;

(bb) Investments made in connection with any nonqualified deferred compensation plan or arrangement for any Permitted Payee;

(cc) any Investment made by any Unrestricted Subsidiary prior to the date on which such Unrestricted Subsidiary is designated as a Restricted Subsidiary (but for the avoidance of doubt, after such subsidiary was designated as an Unrestricted Subsidiary) so long as the relevant Investment was not made in contemplation of the designation of such Unrestricted Subsidiary as a Restricted Subsidiary;

(dd) additional Investments so long as, as measured at the time provided for in Section 1.04(e), on a Pro Forma Basis, the Total Leverage Ratio does not exceed 4.00:1.00;

(ee) Investments consisting of the licensing, sub-licensing or contribution of IP Rights pursuant to joint marketing, collaborations or other similar arrangements with other Persons;

(ff) Investments in or relating to any Receivables Subsidiary that, in the good faith determination of Parent, are necessary or advisable to effect a Receivables Facility (including the contribution of replacement or substitute assets to such Subsidiary) or any repurchases in connection therewith (including the contribution or lending of Cash or Cash Equivalents to Subsidiaries to finance

the purchase of such assets from Parent or any Restricted Subsidiary or to otherwise fund required reserves and Investments of funds held in accounts permitted or required by the arrangements governing such Receivables Facility or any related Indebtedness);

(gg) the conversion to Qualified Capital Stock of any Indebtedness owed by Parent or any Restricted Subsidiary and permitted by Section 6.01;

(hh) Restricted Subsidiaries of Parent may be established or created if Parent and such Restricted Subsidiary comply with the requirements of Section 5.12, if applicable; provided that, in each case, to the extent such new Restricted Subsidiary is created solely for the purpose of consummating a transaction pursuant to an acquisition or other Investment permitted by this Section 6.06, and such new Restricted Subsidiary at no time holds any assets or liabilities other than any acquisition or Investment consideration contributed to it contemporaneously with the closing of such transaction, such new Restricted Subsidiary shall not be required to take the actions set forth in Section 5.12 until the respective acquisition is consummated (at which time the surviving entity of the respective transaction shall be required to so comply in accordance with the provisions thereof);

(ii) contributions in connection with compensation arrangements to a "rabbi" trust for the benefit of employees, directors, partners, members, consultants, independent contractors or other service providers or other grantor trust subject to claims of creditors in the case of a bankruptcy of Parent or any of its Restricted Subsidiaries;

(jj) Investments by Loan Parties in any Restricted Subsidiary that is not a Loan Party so long as such Investment is part of a series of simultaneous Investments by Parent and the Restricted Subsidiaries in other Restricted Subsidiaries that result in the proceeds of the intercompany Investment being invested in one or more Loan Parties;

(kk) Investments consisting of earnest money deposits required in connection with purchase agreements or other acquisitions or Investments otherwise permitted under this Section 6.06 and any other pledges or deposits permitted by Section 6.02;

(ll) Term Loans repurchased by Parent or a Restricted Subsidiary pursuant to and subject to immediate cancellation in accordance with this Agreement and, to the extent permitted (or not prohibited) by Section 6.04(b), loans repurchased by Parent or a Restricted Subsidiary pursuant to and subject to immediate cancellation in accordance with the terms of any other Indebtedness;

(mm) Guarantee obligations of Parent or any Restricted Subsidiary in respect of letters of support, guarantees or similar obligations issued, made or incurred for the benefit of any Restricted Subsidiary of Parent to the extent required by law or in connection with any statutory filing or the delivery of audit opinions performed in jurisdictions other than within the United States;

(nn) purchases and acquisitions of inventory, supplies, materials, services, equipment or similar assets in the ordinary course of business; and

(oo) any advance to any current or former employee, officer, director, member of management, manager, consultant or independent contractor of Parent, any Restricted Subsidiary or any joint venture for moving, entertainment and travel expenses, drawing accounts and similar expenditures or payroll expenses or advances in the ordinary course of business.

Section 6.07. Fundamental Changes; Disposition of Assets. Parent shall not, nor shall it permit any of its Restricted Subsidiaries to, enter into any transaction of merger, consolidation or amalgamation,

or liquidate, wind up or dissolve themselves (or suffer any liquidation or dissolution), or make any Disposition of assets having a fair market value in excess of $30,000,000, in a single transaction or in a series of related transactions, and in excess of $100,000,000 in the aggregate for all such transactions in any Fiscal Year, except:

(a) any Restricted Subsidiary may be merged, consolidated or amalgamated with or into Parent or any other Restricted Subsidiary; provided that (i) in the case of any such merger, consolidation or amalgamation with or into Parent, (A) Parent shall be the continuing or surviving Person or (B) if the Person formed by or surviving any such merger, consolidation or amalgamation (including any immediate and successive mergers, consolidations or amalgamations of entities) is not Parent (any such Person after giving effect to such transaction or transactions, the "**Successor Parent**"), (1) the Successor Parent shall be an entity organized or existing under the law of the U.S., any state thereof or the District of Columbia, (2) the Successor Parent shall expressly assume the Obligations of Parent in a manner reasonably satisfactory to the Administrative Agent and shall have delivered to the Administrative Agent all documentation and other information reasonably requested in writing by the Administrative Agent which is required by U.S. regulatory authorities under applicable "know your customer" and anti-money-laundering rules and regulations including the USA PATRIOT Act and (3) except as the Administrative Agent may otherwise agree, each Guarantor, unless it is the other party to such merger, consolidation or amalgamation, shall have executed and delivered a reaffirmation agreement with respect to its obligations under the Loan Guaranty and the other Loan Documents; it being understood and agreed that if the foregoing conditions under clauses (1) through (3) are satisfied, the Successor Parent will succeed to, and be substituted for, Parent under this Agreement and the other Loan Documents, (ii) in the case of any such merger, consolidation or amalgamation with or into any Borrower, (A) the applicable Borrower shall be the continuing or surviving Person or (B) if the Person formed by or surviving any such merger, consolidation or amalgamation (including any immediate and successive mergers, consolidations or amalgamations of entities) is not such Borrower (any such Person after giving effect to such transaction or transactions, the "**Successor Borrower**"), (1) the Successor Borrower shall be an entity organized or existing under the law of the U.S., any state thereof or the District of Columbia, (2) the Successor Borrower shall expressly assume the Obligations of the applicable Borrower in a manner reasonably satisfactory to the Administrative Agent and shall have delivered to the Administrative Agent all documentation and other information reasonably requested in writing by the Administrative Agent which is required by U.S. regulatory authorities under applicable "know your customer" and anti-money-laundering rules and regulations including the USA PATRIOT Act and (3) except as the Administrative Agent may otherwise agree, each Guarantor, unless it is the other party to such merger, consolidation or amalgamation, shall have executed and delivered a reaffirmation agreement with respect to its obligations under the Loan Guaranty and the other Loan Documents; it being understood and agreed that if the foregoing conditions under clauses (1) through (3) are satisfied, the Successor Borrower will succeed to, and be substituted for, the applicable Borrower under this Agreement and the other Loan Documents and (iii) in the case of any such merger, consolidation or amalgamation with or into any Subsidiary Guarantor, either (x) such Subsidiary Guarantor shall be the continuing or surviving Person or the continuing or surviving Person shall expressly assume the guarantee obligations of the Subsidiary Guarantor in a manner reasonably satisfactory to the Administrative Agent or (y) the relevant transaction shall be treated as an Investment and otherwise be made in compliance with Section 6.06;

(b) Dispositions (including of Capital Stock) among Parent and/or any Restricted Subsidiary (upon voluntary liquidation or otherwise); provided that any such Disposition by any Loan Party to any Person that is not a Loan Party shall be (i) for fair market value (as determined by such Person in good faith) or (ii) treated as an Investment and otherwise be made in compliance with Section 6.06 (other than in reliance on clause (j) thereof);

(c) (i) the liquidation or dissolution of any Restricted Subsidiary if Parent determines in good faith that such liquidation or dissolution is in the best interests of Parent, is not materially disadvantageous to the Lenders, and Parent or any Restricted Subsidiary receives any assets of the relevant dissolved or liquidated Restricted Subsidiary; provided that in the case of any liquidation or dissolution of any Loan Party that results in a distribution of assets to any Restricted Subsidiary that is not a Loan Party, such distribution shall be treated as an Investment and shall otherwise be made in compliance with Section 6.06 (other than in reliance on clause (j) thereof); (ii) any merger, amalgamation, dissolution, liquidation or consolidation, the purpose of which is to effect (A) any Disposition otherwise permitted under this Section 6.07 (other than clause (a), clause (b) or this clause (c)) or (B) any Investment permitted under Section 6.06; and (iii) Parent or any Restricted Subsidiary may be converted into another form of entity, in each case, so long as such conversion does not adversely affect the value of the Loan Guaranty or the Collateral, taken as a whole;

(d) (x) Dispositions of inventory or goods held for sale, equipment or other assets in the ordinary course of business (including on an intercompany basis) and (y) the leasing or subleasing of real property in the ordinary course of business;

(e) Dispositions of surplus, obsolete, used or worn out property or other property (including, for the avoidance of doubt, the abandonment of any IP Rights) that, in the good faith judgment of Parent, is (A) no longer useful in its business (or in the business of any Restricted Subsidiary of Parent) or (B) otherwise economically impracticable or not commercially reasonable to maintain;

(f) Dispositions of Cash and/or Cash Equivalents or other assets that were Cash and/or Cash Equivalents when the relevant original Investment was made;

(g) Dispositions, mergers, amalgamations, consolidations or conveyances that constitute Investments permitted pursuant to Section 6.06 (other than Section 6.06(j)) and Permitted Liens, Restricted Payments permitted by Section 6.04(a) (other than Section 6.04(a)(viii));

(h) Dispositions for fair market value; provided that with respect to (1) any single Disposition transaction with respect to assets having a fair market value in excess of the greater of $70,000,000 and 10% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period or (2) any other Disposition transactions with respect to assets having a fair market value in excess of the greater of $200,000,000 and 25% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period, for all such transactions on an aggregate basis in any Fiscal Year (in each case other than any Permitted Asset Swap), at least 75% of the consideration for such Disposition (other than the portion of any such Disposition consisting of a Permitted Asset Swap), together with all other Dispositions undertaken pursuant to this clause (h) since the Closing Date (on a cumulative basis), shall consist of Cash or Cash Equivalents (provided that for purposes of the 75% Cash consideration requirement, (v) the amount of any Indebtedness or other liabilities (other than Indebtedness or other liabilities that are subordinated to the Obligations or that are owed to Parent or any Restricted Subsidiary) of Parent or any Restricted Subsidiary (as shown on such Person's most recent balance sheet (or in the notes thereto), or if the incurrence of such Indebtedness or other liability took place after the date of such balance sheet, that would have been shown on such balance sheet or in the notes thereto, as determined in good faith by Parent) that are (i) assumed by the transferee of any such assets and for which Parent and/or its applicable Restricted Subsidiary have been validly released by all relevant creditors in writing or (ii) otherwise cancelled or terminated in connection with such Disposition, (w) the amount of any trade-in value applied to the purchase price of any replacement assets acquired in connection with such Disposition, (x) any Securities or other obligations or assets received by Parent or any Restricted Subsidiary from such transferee (including earn-outs or similar obligations) that are converted by such Person into Cash or Cash Equivalents, or by their terms are required to be satisfied for Cash or Cash

Equivalents (to the extent of the Cash or Cash Equivalents received) within 180 days following the closing of the applicable Disposition, (y) any Designated Non-Cash Consideration received in respect of such Disposition having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (y) that is at that time outstanding, not in excess of the greater of $170,000,000 and 25% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period and (z) any Investment, Capital Stock, assets, property or capital or other expenditure of the kind referred to in Section 2.11(b)(ii), in each case shall be deemed to be Cash); provided, further, that the Net Proceeds of such Disposition shall be applied and/or reinvested as (and to the extent) required by Section 2.11(b)(ii);

(i) to the extent that (i) the relevant property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of the relevant Disposition are promptly applied to the purchase price of such replacement property;

(j) Dispositions of Investments in joint ventures to the extent required by, or made pursuant to, buy/sell arrangements between joint venture or similar parties set forth in the relevant joint venture arrangements and/or similar binding arrangements;

(k) Dispositions of notes receivable or accounts receivable in the ordinary course of business (including any discount and/or forgiveness thereof) or in connection with the collection or compromise thereof, or as part of any bankruptcy or similar proceeding;

(l) Dispositions and/or terminations of, or constituting, leases, subleases, licenses, sublicenses or cross-licenses (including the provision of software under any open source license), the Dispositions or terminations of which (i) do not materially interfere with the business of Parent and its Restricted Subsidiaries, (ii) relate to closed facilities or the discontinuation of any product line or (iii) are made in the ordinary course of business;

(m) (i) any termination of any lease, sublease, license or sub-license in the ordinary course of business (and any related Disposition of improvements made to leased real property resulting therefrom), (ii) any expiration of any option agreement in respect of real or personal property and (iii) any surrender or waiver of contractual rights or the settlement, release or surrender of contractual rights or litigation claims (including in tort) in the ordinary course of business;

(n) Dispositions of property subject to foreclosure, expropriation, forced disposition, casualty, eminent domain or condemnation proceedings (including in lieu thereof or any similar proceeding);

(o) Dispositions or consignments of equipment, inventory or other assets (including leasehold or licensed interests in real property) with respect to facilities that are temporarily not in use, held for sale or closed;

(p) [reserved];

(q) Dispositions of non-core assets and sales of Real Estate Assets, in each case acquired in any acquisition or other Investment permitted hereunder, (x) which Disposition or sale is required to obtain the approval of any anti-trust authority or is otherwise necessary or advisable in the good faith determination of Parent to consummate any acquisition or other Investment permitted hereunder or (y) which, within 180 days of the date of such acquisition or Investment, are designated in writing to the Administrative Agent as being held for sale and not for the continued operation of Parent or any of its Restricted Subsidiaries or any of their respective businesses;

(r) exchanges or swaps, including transactions covered by Section 1031 of the Code (or any comparable provision of any foreign jurisdiction), of property or assets so long as any such exchange or swap is made for fair value (as determined by Parent in good faith) for like property or assets or property, assets or services of greater value or usefulness to the business of Parent and its Restricted Subsidiaries as a whole, as determined in good faith by Parent; provided that upon the consummation of any such exchange or swap by any Loan Party, to the extent the property received does not constitute an Excluded Asset, the Administrative Agent has a perfected Lien with the same priority as the Lien held on the property or assets so exchanged or swapped;

(s) [reserved];

(t) (i) licensing and cross-licensing (including sub-licensing) arrangements involving any technology, intellectual property or IP Rights of Parent or any Restricted Subsidiary in the ordinary course of business, (ii) Dispositions, abandonments, cancellations or lapses of any IP Rights or issuances or registrations, or applications for issuances or registrations, of IP Rights in the ordinary course of business, or which, in the good faith determination of Parent, are not material to the conduct of the business of Parent or its Restricted Subsidiaries, or are no longer economical to maintain in light of its use and (iii) Dispositions of any technology, intellectual property or IP Rights of Parent or any Restricted Subsidiary in the ordinary course of business;

(u) terminations or unwinds of Derivative Transactions;

(v) Dispositions of Capital Stock of, or sales of Indebtedness or other Securities of, Unrestricted Subsidiaries;

(w) Dispositions of Real Estate Assets and related assets in the ordinary course of business in connection with relocation activities for directors, officers, employees, members of management, managers or consultants of Parent and/or any Restricted Subsidiary;

(x) Dispositions made to comply with any order or other directive of any Governmental Authority or any applicable Requirement of Law;

(y) any merger, consolidation, Disposition or conveyance the sole purpose of which is to reincorporate or reorganize (i) any Domestic Subsidiary in another jurisdiction in the U.S. and/or (ii) any Foreign Subsidiary in the U.S. or any other jurisdiction;

(z) [reserved];

(aa) any sale of motor vehicles and information technology equipment purchased at the end of an operating lease and resold thereafter;

(bb) other Dispositions involving assets having a fair market value of not more than, in any Fiscal Year, the greater of $165,000,000 and 25% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period;

(cc) Dispositions contemplated on the Closing Date and described on Schedule 6.07 hereto;

(dd) Dispositions or discounts of accounts receivable, or participations therein, or Receivables Facility Assets, or any disposition of the Capital Stock in a Subsidiary all or substantially all

of the assets of which are Receivables Facility Assets, or other rights to payment and related assets in connection with any Receivables Facility;

(ee) any issuance, sale or Disposition of Capital Stock to directors, officers, managers or employees for purposes of satisfying requirements with respect to directors' qualifying shares and shares issued to foreign nationals, in each case as required by applicable Requirements of Law;

(ff) any netting arrangement of accounts receivable between or among Parent and its Restricted Subsidiaries or among Restricted Subsidiaries of Parent made in the ordinary course of business; and

(gg) any "fee in lieu" or other Disposition of assets to any Governmental Authority that continue in use by Parent or any Restricted Subsidiary, so long as Parent or any Restricted Subsidiary may obtain title to such asset upon reasonable notice by paying a nominal fee.

To the extent that any Collateral is Disposed of as expressly permitted by this Section 6.07 to any Person other than a Loan Party, such Collateral shall automatically be sold free and clear of the Liens created by the Loan Documents (which Liens shall be automatically released upon the consummation of such Disposition) and the Administrative Agent shall be authorized to take, and shall take, any actions reasonably requested by Parent or otherwise deemed appropriate in order to effect the foregoing.

Section 6.08. [Reserved].

Section 6.09. Transactions with Affiliates. Parent shall not, nor shall it permit any of its Restricted Subsidiaries to, enter into any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service) involving payment in excess of the greater of $65,000,000 and 10% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period in any individual transaction with any of their respective Affiliates on terms that are substantially less favorable to Parent or such Restricted Subsidiary, as the case may be (as determined by Parent in good faith), than either (x) those terms that might be obtained at the time in a comparable arm's-length transaction from a Person who is not an Affiliate or (y) if no comparable arm's-length transaction exists (as determined by Parent in good faith), terms that are deemed to be financially fair by a Responsible Officer of Parent acting in good faith; provided that the foregoing restriction shall not apply to:

(a) any transaction between or among (i) Parent and/or one or more Restricted Subsidiaries and/or joint ventures (or any entity that becomes a Restricted Subsidiary or joint venture as a result of such transaction) to the extent permitted or not restricted by this Agreement and (ii) any joint venture and/or one or more Unrestricted Subsidiaries in the ordinary course of business;

(b) any issuance, sale or grant of securities or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment arrangements, stock options and stock ownership plans approved by the board of directors (or equivalent governing body) of Parent or any Restricted Subsidiary;

(c) (i) any collective bargaining, employment, indemnification, expense reimbursement or severance agreement or compensatory (including profit sharing) arrangement entered into by Parent or any of its Restricted Subsidiaries with any Permitted Payee, (ii) any subscription agreement or similar agreement pertaining to the repurchase of Capital Stock pursuant to put/call rights or similar rights with any Permitted Payee and (iii) payments or other transactions pursuant to any management equity plan, employee compensation, benefit plan, stock option plan or arrangement, equity holder arrangement, supplemental executive retirement benefit plan, any health, disability or similar

insurance plan, or any employment contract or arrangement which covers any Permitted Payee and payments pursuant thereto;

(d) any transaction specifically permitted under this Agreement, including: (i) any transaction for the forming of a holding company or reincorporation of Parent or any Restricted Subsidiary in a new jurisdiction, (ii) any customary transaction with (including any Investment in or relating to) any Receivables Subsidiary as part of a Receivables Facility, (iii) issuances of Capital Stock and issuances and incurrences of Indebtedness not restricted by this Agreement and payments pursuant thereto and (iv) distributions or dispositions of equity interests in Unrestricted Subsidiaries;

(e) the existence of, or performance by Parent or any Restricted Subsidiary of its obligations under the terms of, any transaction or agreement in existence on the Closing Date and any amendment, modification or extension thereof to the extent such amendment, modification or extension, taken as a whole, is not materially (i) adverse to the Lenders or (ii) more disadvantageous to the Lenders than the relevant transaction in existence on the Closing Date;

(f) (i) customary compensation to Affiliates in connection with financial advisory, consulting, financing, underwriting or placement services or in respect of other investment banking activities and other transaction fees, which are approved, or made pursuant to arrangements approved by, the majority of the members of the board of directors (or similar governing body) or a majority of disinterested members of the board of directors (or similar governing body) of Parent in good faith and (ii) the payment of or reimbursement for any indemnification obligations and expenses (and similar amounts) owed to any Investor and any of their respective directors, officers, members of management, managers, employees and consultants, in each case of clauses (i) and (ii), whether currently due or paid in respect of accruals from prior periods;

(g) the Transactions, including (i) the payment of Transaction Costs and (ii) any agreement, investment or other transaction set forth on Schedule 6.09;

(h) transactions with any Person that is an Affiliate solely because a director or officer of such Person is a director or officer of Parent or any Restricted Subsidiary;

(i) any transaction or transactions approved by a majority of the disinterested members of the board of directors (or similar governing body) of Parent at such time;

(j) Guarantees permitted by Section 6.01 or Section 6.06;

(k) Loans, Investments and other transactions among the Loan Parties and their Subsidiaries in each case to the extent permitted under this Article 6;

(l) the payment of customary fees and reasonable out-of-pocket costs to, and indemnities provided on behalf of, members of the board of directors (or similar governing body), officers, employees, members of management, managers, consultants and independent contractors of Parent and/or any of its Restricted Subsidiaries in the ordinary course of business;

(m) transactions with customers, clients, suppliers, licensors, licensees, joint ventures, purchasers or sellers of goods or services or providers of employees or other labor entered into in the ordinary course of business, which are (i) fair to Parent and/or its applicable Restricted Subsidiary in the good faith determination of the board of directors (or similar governing body) of Parent or the senior management thereof or (ii) on terms not substantially less favorable to Parent and/or its applicable Restricted Subsidiary as might reasonably be obtained from a Person other than an Affiliate;

(n) the payment of reasonable out-of-pocket costs and expenses related to registration rights and indemnities provided to shareholders under any shareholder agreement and the existence or performance by Parent or any Restricted Subsidiary of its obligations under any such registration rights or shareholder agreement;

(o) (i) any purchase by Parent of the Capital Stock of (or contribution to the equity capital of) any of its Subsidiaries to the extent otherwise permitted by Article 6 and (ii) any intercompany loans made by Parent or any other Restricted Subsidiary to the extent otherwise permitted by Article 6;

(p) any transaction in respect of which Parent delivers to the Administrative Agent a letter addressed to the board of directors (or equivalent governing body) of Parent from an accounting, appraisal or investment banking firm of nationally recognized standing stating that such transaction is fair to Parent or such Restricted Subsidiary from a financial point of view or stating that the terms, when taken as a whole, are not substantially less favorable to Parent or the applicable Restricted Subsidiary than might be obtained at the time in a comparable arm's length transaction from a Person who is not an Affiliate;

(q) (i) Investments by Affiliates in Securities or other Indebtedness of Parent or any Restricted Subsidiary (and payment of reasonable out-of-pocket expenses incurred by such Affiliates in connection therewith) so long as the Investment is being offered by Parent or such Restricted Subsidiary generally to other investors on the same or more favorable terms and (ii) payments to Affiliates in respect of Securities or other Indebtedness of Parent or any Restricted Subsidiary contemplated in the foregoing subclause (i) or that were acquired from Persons other than Parent and the Restricted Subsidiaries, in each case, in accordance with the terms of such Securities or other Indebtedness;

(r) any lease entered into (i) between Parent or any Restricted Subsidiary, as lessee, and any Affiliate of Parent, as lessor, and any transaction(s) pursuant to that lease and (ii) between Parent or any Restricted Subsidiary, as lessor, and any Affiliate of Parent, as lessee, and any transaction(s) pursuant to that lease, in each case which lease is approved by the board of directors or senior management of Parent in good faith; and

(s) transactions undertaken in the ordinary course of business pursuant to membership in a purchasing consortium.

Section 6.10. [Reserved].

Section 6.11. [Reserved].

Section 6.12. Amendments of or Waivers with Respect to Restricted Debt. Parent shall not, nor shall it permit any of its Restricted Subsidiaries to, amend or otherwise modify the terms of any Restricted Debt (or the documentation governing any Restricted Debt) if such amendment or modification is expressly prohibited by any subordination provisions set forth therein or in any other stand-alone subordination or intercreditor agreement applicable thereto, without first obtaining the consent of the Administrative Agent (which consent shall not be unreasonably withheld, delayed or conditioned); provided that, for purposes of clarity, it is understood and agreed that the foregoing limitation shall not otherwise prohibit any Refinancing Indebtedness or any other replacement, refinancing, amendment, supplement, modification, extension, renewal, restatement or refunding of any Restricted Debt, in each case, that is permitted under this Agreement in respect thereof.

Section 6.13. [Reserved].

Section 6.14. [Reserved].

Section 6.15. Financial Covenant.

(a) First Lien Leverage Ratio. On the last day of any Test Period commencing with the last day of the first full Fiscal Quarter ending after the Closing Date on which the Revolving Facility Test Condition is then satisfied, Parent shall not permit the First Lien Leverage Ratio to be greater than [ ]:1.00.

(b) Financial Cure. Notwithstanding anything to the contrary in this Agreement (including Article 7), Parent shall have the right (the "**Cure Right**") (at any time during any such Fiscal Quarter or thereafter until the date that is 15 Business Days after the date on which financial statements for such Fiscal Quarter are required to be delivered pursuant to Section 5.01(a) or (b), as applicable) to issue common Capital Stock for Cash or otherwise receive Cash contributions in respect of common Capital Stock in each case to any Person or Persons (other than any Restricted Subsidiary) (the "**Cure Amount**"), and thereupon Parent's compliance with Section 6.15(a) shall be recalculated giving effect to the following pro forma adjustment: Consolidated Adjusted EBITDA shall be increased (notwithstanding the absence of a related addback in the definition of "Consolidated Adjusted EBITDA"), solely for the purpose of determining compliance with Section 6.15(a) as of the end of such Fiscal Quarter and for applicable subsequent periods that include such Fiscal Quarter, by an amount equal to the Cure Amount. If, after giving effect to the foregoing recalculation (but not taking into account any immediate repayment of Indebtedness in connection therewith, except as expressly set forth below), the requirements of Section 6.15(a) would be satisfied, then the requirements of Section 6.15(a) shall be deemed satisfied as of the end of the relevant Fiscal Quarter with the same effect as though there had been no failure to comply therewith at such date, and the applicable breach or default of Section 6.15(a) that had occurred (or would have occurred) shall be deemed cured for the purposes of this Agreement. Notwithstanding anything herein to the contrary, (i) in each four consecutive Fiscal Quarter period there shall be at least two Fiscal Quarters (which may, but are not required to be, consecutive) in which the Cure Right is not exercised, (ii) during the term of this Agreement, the Cure Right shall not be exercised more than five times, (iii) the Cure Amount shall be no greater than the amount required for the purpose of complying with Section 6.15(a) (or to be in pro forma compliance with any financial covenant with respect to any other Indebtedness that is being cured), (iv) until the 15th Business Day following the date on which financial statements for the Fiscal Quarter are required to be delivered pursuant to Section 5.01(a) or (b), as applicable, neither the Administrative Agent (nor any sub-agent therefor) nor any Lender shall exercise any right to accelerate the Loans or terminate the Revolving Credit Commitments or any Additional Commitments, and none of the Administrative Agent (nor any sub-agent therefor) nor any Lender or Secured Party shall exercise any right to foreclose on or take possession of the Collateral or any other right or remedy under the Loan Documents, in each case solely on the basis of the relevant Event of Default under Section 6.15(a), (v) during any Test Period in which any Cure Right is exercised, (A) such Cure Amount shall be counted solely as an increase to Consolidated Adjusted EBITDA (and not as a reduction of Indebtedness (by netting or otherwise), except with respect to future Test Periods to the extent that the proceeds of such Cure Amount are actually applied to repay Indebtedness) for the purpose of determining compliance with Section 6.15(a) and (B) such Cure Amount shall be disregarded for all other purposes, including the purpose of determining whether any financial ratio-based condition has been satisfied, the Commitment Fee Rate or the availability of any carve-out set forth in Article 6 of this Agreement and (vi) no Revolving Lender or Issuing Bank shall be required to make any Revolving Loan or issue any Letter of Credit hereunder if an Event of Default under Section 6.15(a) exists during the 15 Business Day period during which Parent may exercise a Cure Right above unless and until the Cure Amount is actually received.

ARTICLE 7 EVENTS OF DEFAULT

Section 7.01. Events of Default. If any of the following events (each, an "**Event of Default**") shall occur:

(a) Failure To Make Payments When Due. Failure by the Borrower to pay (i) any installment of principal of any Loan when due, whether at stated maturity, by acceleration, by notice of voluntary prepayment, by mandatory prepayment or otherwise, (ii) within five Business Days after the date due, any interest on any Loan or any fee due hereunder or (iii) any other amount due hereunder within ten Business Days after the applicable due date; provided, that any such failure to pay caused by administrative or technical error shall not constitute an Event Of Default if payment is made within two Business Days of the earlier of (x) the discovery of such error by Parent or the Administrative Agent notifying Parent or such error and (y) a Responsible Officer of the Borrower obtaining actual knowledge of any such failure to pay; or

(b) Default in Other Agreements. (i) Failure by Parent or any of its Restricted Subsidiaries to pay when due any principal of or interest on or any other amount payable in respect of one or more items of Indebtedness (other than Indebtedness referred to in clause (a) above) with an aggregate outstanding principal amount exceeding the Threshold Amount, in each case beyond the applicable notice period and grace period, if any, provided therefor; or (ii) breach or default by Parent or any of its Restricted Subsidiaries (other than any Receivables Subsidiary) with respect to any other term of (A) one or more items of Indebtedness with an aggregate outstanding principal amount exceeding the Threshold Amount or (B) any loan agreement, mortgage, indenture or other agreement relating to such item(s) of Indebtedness, in each case beyond the applicable notice period and grace period, if any, provided therefor, if the effect of such breach or default is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, such Indebtedness to become or be declared due and payable (or redeemable) prior to its stated maturity or the stated maturity of any underlying obligation, as the case may be; provided that (x) clause (ii) of this paragraph (b) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property securing such Indebtedness if such sale or transfer is permitted hereunder and (y) clause (ii) of this paragraph (b) shall not apply to termination events or equivalent events occurring under any Hedge Agreement in accordance with the terms thereof (it being understood that the failure to pay any amount due as a result of such termination event shall constitute an Event of Default under this paragraph (b)); provided, further, that (x) with respect to any breach or default referred to in clause (ii) above with respect to a financial covenant in any such Indebtedness, such breach or default shall only constitute an Event of Default hereunder if such breach or default has resulted in the acceleration of such Indebtedness and the termination of commitments thereunder and (y) any failure, breach or default described under clauses (i) or (ii) above shall only constitute an Event of Default if such failure, breach or default is unremedied and is not waived by the holders of such Indebtedness prior to any termination of the Commitments or acceleration of the Loans pursuant to this Article 7; or

(c) Breach of Certain Covenants. Failure of any Loan Party, as required by the relevant provision, to perform or comply with any term or condition contained in Section 5.01(e)(i), Section 5.02 (as it applies to the preservation of the existence of Parent and the Borrower), or Article 6; provided that, notwithstanding this clause (c), no breach or default by any Loan Party under Section 6.15(a) will constitute an Event of Default with respect to any Term Loans unless and until the Required Revolving Lenders have accelerated the Revolving Loans and terminated the commitments under the Revolving Facility and have not rescinded such acceleration or termination (the "**Financial Covenant Standstill**"); it being understood and agreed that any breach of Section 6.15(a) (or any other financial covenant) is subject to cure as provided in Section 6.15(b), and no Event of Default shall arise under Section 6.15(a) until the 15th Business Day after the day on which financial statements are required to be delivered for the relevant Fiscal Quarter under Section 5.01(a) or (b), as applicable, and then only to the extent the Cure Amount has not been received on or prior to such date; or

(d) Breach of Representations, Etc. Any representation, warranty or certification made or deemed made by any Loan Party in any Loan Document or in any certificate required to be delivered in connection herewith or therewith (including, for the avoidance of doubt, any Perfection Certificate), shall be untrue in any material respect as of the date made or deemed made and such untrue representation, warranty or certification shall remain untrue for a period of 30 days after notice from the Administrative Agent to Parent (which notice shall only be given at the direction of the Required Lenders); or

(e) Other Defaults Under Loan Documents. Default by any Loan Party in the performance of or compliance with any term contained herein or in any of the other Loan Documents, other than any such term referred to in any other Section of this Article 7, which default has not been remedied or waived within 30 days after receipt by Parent of written notice thereof from the Administrative Agent; or

(f) Involuntary Bankruptcy; Appointment of Receiver, Etc. (i) The entry by a court of competent jurisdiction of a decree or order for relief in respect of Parent or any of its Restricted Subsidiaries (other than any Immaterial Subsidiary) (any such Person, a "Specified Person") in an involuntary case under any Debtor Relief Law now or hereafter in effect, which decree or order is not stayed; or any other similar relief shall be granted under any applicable federal, state or local law, which relief is not stayed; or (ii) the commencement of an involuntary case against any Specified Person under any Debtor Relief Law; the entry by a court having jurisdiction in the premises of a decree or order for the appointment of a receiver, receiver and manager, (preliminary) insolvency receiver, liquidator, sequestrator, trustee, custodian or other officer having similar powers over any Specified Person, or over all or a substantial part of its property; or the involuntary appointment of an interim receiver, trustee or other custodian of any Specified Person for all or a substantial part of its property, which remains, in any case under this clause (f), undismissed, unvacated, unbonded or unstayed pending appeal for 60 consecutive days; or

(g) Voluntary Bankruptcy; Appointment of Receiver, Etc. (i) The entry against any Specified Person of an order for relief, the commencement by any Specified Person of a voluntary case under any Debtor Relief Law, or the consent by any Specified Person to the entry of an order for relief in an involuntary case or to the conversion of an involuntary case to a voluntary case, under any Debtor Relief Law, or the consent by any Specified Person to the appointment of or taking possession by a receiver, receiver and manager, trustee or other custodian for all or a substantial part of its property; (ii) the making by any Specified Person of a general assignment for the benefit of creditors; or (iii) the admission by any Specified Person in writing of their inability to pay their respective debts as such debts become due; or

(h) Judgments and Attachments. The entry or filing of one or more final money judgments, writs or warrants of attachment or similar process against any Specified Person involving in the aggregate at any time an amount in excess of the Threshold Amount (in either case to the extent not adequately covered by indemnity from a third party as to which the indemnifying party has been notified and not denied its indemnification obligations, self-insurance (if applicable) or insurance as to which the relevant third party insurance company has been notified and not denied coverage), which judgment, writ, warrant or similar process remains unpaid, undischarged, unvacated, unbonded or unstayed pending appeal for a period of 60 consecutive days; or

(i) Employee Benefit Plans. The occurrence of one or more ERISA Events which would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect; or

(j) Change of Control. The occurrence of a Change of Control; or

(k) Guaranties, Collateral Documents and Other Loan Documents. At any time after the execution and delivery thereof (i) any material Loan Guaranty for any reason ceasing to be in full force and effect (other than in accordance with its terms or as a result of the occurrence of the Termination Date) or being declared by a court of competent jurisdiction to be null and void or the repudiation in writing by any Loan Party of its obligations thereunder (in each case other than as a result of the discharge of such Loan Party in accordance with the terms thereof), (ii) this Agreement or any material Collateral Document ceasing to be in full force and effect (other than by reason of a release of Collateral in accordance with the terms hereof or thereof, the occurrence of the Termination Date or any other termination of such Collateral Document in accordance with the terms thereof) or being declared by a court of competent jurisdiction to be null and void or (iii) other than in any bona fide, good faith dispute as to the scope of Collateral or whether any Lien has been, or is required to be released, the contesting by any Loan Party of the validity or enforceability of any material provision of any Loan Document in writing or denial by any Loan Party in writing that it has any further liability (other than by reason of the occurrence of the Termination Date or any other termination of any Loan Document in accordance with the terms thereof), including with respect to future advances by the Lenders, under any Loan Document to which it is a party; it being understood and agreed that the failure of the Administrative Agent to maintain possession of any Collateral actually delivered to it or file any UCC (or equivalent) continuation statement shall not result in an Event of Default under this clause (k); or

(l) Subordination. The Obligations ceasing or the assertion in writing by any Loan Party that the Obligations cease to constitute senior indebtedness under the subordination provisions of any document or instrument evidencing any permitted Junior Indebtedness in excess of the Threshold Amount (in each case, to the extent required by such subordination provision) or any such subordination provision being invalidated by a court of competent jurisdiction or otherwise ceasing, for any reason, to be valid, binding and enforceable obligations of the parties thereto;

then, and in every such Event of Default (other than (x) an Event of Default with respect to Parent described in clause (f)(i) or (g) of this Article or (y) any Event of Default arising under Section 6.15(a)), and at any time thereafter during the continuance of such Event of Default, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to Parent, take any of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower and (iii) require that the Borrower deposit in the LC Collateral Account an additional amount in Cash as reasonably requested by the Issuing Banks (not to exceed 100% of the relevant face amount) of the then outstanding LC Exposure (minus the amount then on deposit in the LC Collateral Account); provided that (A) upon the occurrence of an Event of Default with respect to Parent or the Borrower described in clause (f)(i) or (g) of this Article, any such Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower, and the obligation of the Borrower to Cash collateralize the outstanding Letters of Credit as aforesaid shall automatically become effective, in each case without further action of the Administrative Agent or any Lender and (B) during the continuance of any Event of Default arising under Section 6.15(a), after giving effect to the proviso to Section 7.01(c) (X) solely upon the request of the Required Revolving Lenders (but not the Required Lenders or any other Lender or group of Lenders), the Administrative Agent shall, by notice to Parent, (1) terminate the Revolving Credit Commitments, and thereupon such Revolving Credit Commitments shall terminate immediately, (2)

declare the Revolving Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Revolving Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder in respect of the Revolving Loans, shall become due and payable immediately, without presentment, demand, protest or other notice in respect thereof of any kind, all of which are hereby waived by the Borrower and (3) require that the Borrower deposit in the LC Collateral Account an additional amount in Cash as reasonably requested by the Issuing Banks (not to exceed 100% of the relevant face amount) of the then outstanding LC Exposure (minus the amount then on deposit in the LC Collateral Account) and (Y) subject to the Financial Covenant Standstill, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Borrower, declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower. Upon the occurrence and during the continuance of an Event of Default, subject to any Acceptable Intercreditor Agreement, the Administrative Agent may, and at the request of the Required Lenders shall, exercise any rights and remedies provided to the Administrative Agent under the Loan Documents or at law or equity, including all remedies provided under the UCC.

ARTICLE 8 THE ADMINISTRATIVE AGENT

Each of the Lenders and the Issuing Banks, on behalf of itself and its applicable Affiliates and in their respective capacities as such and as Secured Parties in respect of any Secured Hedging Obligations or Banking Services Obligations, as applicable, hereby irrevocably appoints Credit Suisse (or any successor appointed pursuant hereto) as Administrative Agent and authorizes the Administrative Agent to take such actions on its behalf, including execution of the other Loan Documents or any other documents with respect to the rights of the Secured Parties and the Collateral as contemplated by this Agreement and the other Loan Documents, and to exercise such powers as are delegated to the Administrative Agent by the terms of the Loan Documents, together with such actions and powers as are reasonably incidental thereto.

Each of the Secured Parties hereby irrevocably appoints and authorizes the Administrative Agent (as collateral agent) to act as the agent of (and to hold any security interest created by the Loan Documents for and on behalf of or on trust for) such Secured Party for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by the Loan Parties to secure any of the Obligations, together with such powers and discretion as are reasonably incidental thereto. Each Secured Party agrees that any such actions by the Administrative Agent shall bind such Secured Party.

Any Person serving as 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, unless the context otherwise requires or unless such Person is in fact not a Lender, include each Person serving as Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Loan Party or any subsidiary of any Loan Party or other Affiliate thereof as if it were not the Administrative Agent hereunder. The Lenders acknowledge that, pursuant to such activities, the Administrative Agent or its Affiliates may receive information regarding any Loan Party or any of its Affiliates (including information that may be subject to

confidentiality obligations in favor of such Loan Party or such Affiliate) and acknowledge that the Administrative Agent shall not be under any obligation to provide such information to them.

The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default exists, and the use of the term "agent" herein and in the other Loan Documents 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 Requirements of Law; it being understood that such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary power, except discretionary rights and powers that are expressly contemplated by the Loan Documents and which the Administrative Agent is required to exercise in writing as directed by the Required Lenders or Required Revolving Lenders (or such other number or percentage of the Lenders as shall be necessary under the relevant circumstances as provided in Section 9.02); 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 Requirements of Law and (c) except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to Parent or any of its Restricted Subsidiaries that is communicated to or obtained by the Person serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable to the Lenders or any other Secured Party for any action taken or not taken by it with the consent or at the request of the Required Lenders or Required Revolving Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the relevant circumstances as provided in Section 9.02) or in the absence of its own gross negligence or willful misconduct, as determined by the final judgment of a court of competent jurisdiction, in connection with its duties expressly set forth herein. The Administrative Agent shall not be deemed to have knowledge of any Default or Event of Default unless and until written notice thereof is given to the Administrative Agent by Parent or any Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or in connection with any Loan Document, (iii) the performance or observance of any covenant, agreement or other term or condition set forth in any Loan Document or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, (v) the creation, perfection or priority of any Lien on the Collateral or the existence, value or sufficiency of the Collateral, (vi) the satisfaction of any condition set forth in Article 4 or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent or (vii) any property, book or record of any Loan Party or any Affiliate thereof; provided, further that, the foregoing paragraph is solely for the benefit of the Administrative Agent and not any Lender.

Each Lender agrees that, except with the written consent of the Administrative Agent, it will not take any enforcement action hereunder or under any other Loan Document, accelerate the Obligations under any Loan Document, or exercise any right that it might otherwise have under applicable law or otherwise to credit bid at any foreclosure sale, UCC sale, any sale under Section 363 of the Bankruptcy Code or other similar Dispositions of Collateral. Notwithstanding the foregoing, however, except as otherwise expressly limited herein, a Lender may take action to preserve or enforce its rights against a Loan Party where a deadline or limitation period is applicable that would, absent such action, bar enforcement of the Obligations held by such Lender, including the filing of a proof of claim in a case under the Bankruptcy Code.

Notwithstanding anything to the contrary contained herein or in any of the other Loan Documents, the Borrower, the Administrative Agent and each Secured Party agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Loan Guaranty; it being understood and agreed that all powers, rights and remedies hereunder may be exercised solely by the Administrative Agent on behalf of the Secured Parties in accordance with the terms hereof and all powers, rights and remedies under the other Loan Documents may be exercised solely by the Administrative Agent and (ii) in the event of a foreclosure by the Administrative Agent on any of the Collateral pursuant to a public or private sale or in the event of any other Disposition (including pursuant to Section 363 of the Bankruptcy Code), (A) the Administrative Agent, as agent for and representative of the Secured Parties, shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such sale, to use and apply all or any portion of the Obligations as a credit on account of the purchase price for any Collateral payable by the Administrative Agent at such Disposition and (B) the Administrative Agent or any Lender may be the purchaser or licensee of all or any portion of such Collateral at any such Disposition.

No holder of any Secured Hedging Obligation or Banking Services Obligation in its respective capacity as such shall have any rights in connection with the management or release of any Collateral or of the obligations of any Loan Party under this Agreement.

Each of the Lenders hereby irrevocably authorizes (and by entering into a Hedge Agreement with respect to any Secured Hedging Obligation and/or by entering into documentation in connection with any Banking Services Obligation, each of the other Secured Parties hereby authorizes and shall be deemed to authorize) the Administrative Agent, on behalf of all Secured Parties, to take any of the following actions upon the instruction of the Required Lenders:

(a) consent to the Disposition of all or any portion of the Collateral free and clear of the Liens securing the Secured Obligations in connection with any Disposition pursuant to the applicable provisions of the Bankruptcy Code (or other applicable Debtor Relief Law), including Section 363 thereof;

(b) credit bid all or any portion of the Secured Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any Disposition of all or any portion of the Collateral pursuant to the applicable provisions of the Bankruptcy Code (or other applicable Debtor Relief Law), including under Section 363 thereof;

(c) credit bid all or any portion of the Secured Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any Disposition of all or any portion of the Collateral pursuant to the applicable provisions of the UCC (or other applicable Debtor Relief Law), including pursuant to Sections 9-610 or 9-620 of the UCC;

(d) credit bid all or any portion of the Secured Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any foreclosure or other Disposition conducted in accordance with applicable law following the occurrence of an Event of Default, including by power of sale, judicial action or otherwise; and/or

(e) estimate the amount of any contingent or unliquidated Secured Obligations of such Lender or other Secured Party;

it being understood that no Lender shall be required to fund any new amount in connection with any purchase of all or any portion of the Collateral by the Administrative Agent pursuant to the foregoing clauses (b), (c) or (d) without its prior written consent.

Each Secured Party agrees that the Administrative Agent is under no obligation to credit bid any part of the Secured Obligations or to purchase or retain or acquire any portion of the Collateral; provided that, in connection with any credit bid or purchase described under clauses (b), (c) or (d) of the preceding paragraph, the Secured Obligations owed to all of the Secured Parties (other than with respect to contingent or unliquidated liabilities as set forth in the next succeeding paragraph) may be, and shall be, credit bid by the Administrative Agent on a ratable basis. For the avoidance of doubt, nothing in this Article 8 shall limit any rights of Parent or its Subsidiaries under Section 363(k) of the Bankruptcy Code (or the corresponding provisions of any other applicable Debtor Relief Law).

With respect to each contingent or unliquidated claim that is a Secured Obligation, the Administrative Agent is hereby authorized by the Secured Parties, but is not required, to estimate the amount thereof for purposes of any credit bid or purchase described in the second preceding paragraph so long as the estimation of the amount or liquidation of such claim would not unduly delay the ability of the Administrative Agent to credit bid the Secured Obligations or purchase the Collateral in the relevant Disposition. In the event that the Administrative Agent, in its sole and absolute discretion, elects not to estimate any such contingent or unliquidated claim or any such claim cannot be estimated without unduly delaying the ability of the Administrative Agent to consummate any credit bid or purchase in accordance with the second preceding paragraph, then any contingent or unliquidated claims not so estimated shall be disregarded, shall not be credit bid, and shall not be entitled to any interest in the portion or the entirety of the Collateral purchased by means of such credit bid.

Each Secured Party whose Secured Obligations are credit bid under clauses (b), (c) or (d) of the third preceding paragraph shall be entitled to receive interests in the Collateral or any other asset acquired in connection with such credit bid (or in the Capital Stock of the acquisition vehicle or vehicles that are used to consummate such acquisition) on a ratable basis in accordance with the percentage obtained by dividing (x) the amount of the Secured Obligations of such Secured Party that were credit bid in such credit bid or other Disposition by (y) the aggregate amount of all Secured Obligations that were credit bid in such credit bid or other Disposition.

In addition, in case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, each Secured Party agrees that the Administrative Agent (irrespective of whether the principal of any Loan or LC Exposure is then 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:

(i) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans or LC Exposure and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Banks and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the Issuing Banks and the Administrative Agent and their respective agents and counsel and all other amounts to the extent due to the Lenders and the Administrative Agent under Sections 2.12 and 9.03) allowed in such judicial proceeding; and

(ii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same.

Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and each Issuing Bank to make such payments to the Administrative Agent and, in the event that the Administrative Agent consents to the making of such payments directly to the Lenders and the Issuing Banks, 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 amount due to the Administrative Agent under Sections 2.12 and 9.03.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or any Issuing Bank any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or any Issuing Bank or to authorize the Administrative Agent to vote in respect of the claim of any Lender or any Issuing Bank in any such proceeding.

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the applicable Issuing Bank, the Administrative Agent may presume that such condition is satisfactory to such Lender or such Issuing Bank unless the Administrative Agent has received notice to the contrary from such Lender or Issuing Bank 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 Parent), 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.

The Administrative Agent may perform any and all of its duties and exercise its rights and powers by or through any one or more sub-agents appointed by it. The Administrative Agent and any such sub-agent may perform any and all of their respective duties and exercise their respective rights and powers through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as the Administrative Agent.

The Administrative Agent may resign at any time by giving thirty days' written notice to the Lenders, the Issuing Banks and Parent. If the Administrative Agent is a Defaulting Lender or an Affiliate of a Defaulting Lender, either the Required Lenders or Parent may, upon thirty days' notice, remove the Administrative Agent. Upon receipt of any such notice of resignation or delivery of any such notice of removal, the Required Lenders shall have the right, with the consent of Parent (not to be unreasonably withheld or delayed), to appoint a successor Administrative Agent which shall be a commercial bank or trust company or other Person reasonably acceptable to Parent with offices in the U.S. having combined capital and surplus in excess of $1,000,000,000 (or such lesser amount as determined in the sole and absolute discretion of the Required Lenders); provided that during the existence and continuation of a Specified Event of Default, no consent of Parent shall be required. If no successor shall have been appointed as provided above and accepted such appointment within thirty days after the retiring Administrative Agent gives notice of its resignation or the Administrative Agent receives notice of removal, then (a) in the case of a retirement, the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Lenders and the Issuing Banks, appoint a successor Administrative Agent

meeting the qualifications set forth above (including, for the avoidance of doubt, consent of Parent) or (b) in the case of a removal, Parent may, after consulting with the Required Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above; provided that (x) in the case of a retirement, if the Administrative Agent notifies Parent, the Lenders and the Issuing Banks that no qualifying Person has accepted such appointment or (y) in the case of a removal, Parent notifies the Required Lenders that no qualifying Person has accepted such appointment, then, in each case, such resignation or removal shall nonetheless become effective in accordance with such notice and (i) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent in its capacity as collateral agent for the Secured Parties for perfection purposes, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (ii) all payments, communications and determinations required to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and each Issuing Bank directly (and each Lender and each Issuing Bank will cooperate with Parent to enable Parent to take such actions), until such time as the Required Lenders or Parent, as applicable, appoint a successor Administrative Agent, as provided for above in this Article 8. Upon the acceptance of its appointment as a successor Administrative Agent, such successor Administrative Agent shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Administrative Agent (other than any rights to indemnity payments owed to the retiring Administrative Agent), and the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder (other than its obligations under Section 9.13 hereof) and under the other Loan Documents if not already discharged from them. The fees payable by Parent to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between Parent and such successor Administrative Agent. After the Administrative Agent's resignation or removal hereunder, the provisions of this Article and Section 9.03 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 action taken or omitted to be taken by any of them while the relevant Person was acting as Administrative Agent (including for this purpose holding any collateral security following the retirement or removal of the Administrative Agent). Notwithstanding anything to the contrary herein, no Disqualified Institution (nor any Affiliate thereof) may be appointed as a successor Administrative Agent.

Any removal of the Administrative Agent by Parent hereunder shall also constitute its removal as Issuing Bank effective as of the date of effectiveness of its removal as Administrative Agent as provided above; it being understood that in the event of any such resignation or removal, any Letter of Credit then outstanding shall remain outstanding (irrespective of whether any amounts have been drawn at such time). In the event of any such removal as an Issuing Bank, Parent shall be entitled to appoint any Revolving Lender that is willing to accept such appointment as successor Issuing Bank hereunder. Upon the acceptance of any appointment as Issuing Bank hereunder by a successor Issuing Bank, such successor Issuing Bank shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the resigning Issuing Bank, and the resigning Issuing Bank shall be discharged from its duties and obligations in such capacity hereunder.

Each Lender and each Issuing Bank 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 each Issuing Bank also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their respective 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 related agreement or any document furnished hereunder or thereunder. Except for notices, reports and other documents expressly required to be furnished to the

Lenders and the Issuing Banks by the Administrative Agent herein, the Administrative Agent shall not have any duty or responsibility to provide any Lender or any Issuing Bank with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any of the Loan Parties or any of their respective Affiliates which may come into the possession of the Administrative Agent or any of its Related Parties.

Notwithstanding anything to the contrary herein, the Arrangers shall not have any right, power, obligation, liability, responsibility or duty under this Agreement, except in their respective capacities, as applicable, as the Administrative Agent or a Lender hereunder.

Each Secured Party irrevocably authorizes and instructs the Administrative Agent to, and the Administrative Agent shall, upon request of Parent:

(a) without limiting Section 9.22, release any Lien on any property granted to or held by the Administrative Agent under any Loan Document (i) upon the occurrence of the Termination Date, (ii) that is sold or to be sold or transferred as part of or in connection with any Disposition permitted under the Loan Documents to a Person that is not a Loan Party, (iii) that does not constitute (or ceases to constitute) Collateral, (iv) if the property subject to such Lien is owned by a Subsidiary Guarantor, upon the release of such Subsidiary Guarantor from its Loan Guaranty otherwise in accordance with the Loan Documents, (v) as required under clause (d) below or (vi) if approved, authorized or ratified in writing by the Required Lenders (or such other number or percentage of Lenders as shall be necessary under the relevant circumstances as provided in Section 9.02) in accordance with Section 9.02;

(b) without limiting Section 9.22, release any Subsidiary Guarantor from its obligations under the Loan Guaranty (i) if such Person ceases to be a Restricted Subsidiary (or becomes an Excluded Subsidiary as a result of a single transaction or series of related transactions or any event or other circumstance permitted hereunder) and/or (ii) upon the occurrence of the Termination Date;

(c) subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by Sections 6.02(c), 6.02(d), 6.02(e), 6.02(f), 6.02(g), 6.02(l), 6.02(m), 6.02(n), 6.02(o), 6.02(q), 6.02(r), 6.02(u), 6.02(v)(ii), 6.02(x), 6.02(y), 6.02(z)(i), 6.02(bb), 6.02(cc), 6.02(dd), 6.02(ee), 6.02(ff), 6.02(hh), 6.02(ii) and 6.02(ll) (and any Refinancing Indebtedness in respect of any thereof to the extent such Refinancing Indebtedness is permitted to be secured under Section 6.02(k)); and

(d) enter into subordination, intercreditor, collateral trust and/or similar agreements (and any amendments thereto) with respect to Indebtedness (including any Acceptable Intercreditor Agreement and any amendment thereto) that is (i) required or permitted to be subordinated hereunder or *pari passu* with the Liens securing the Obligations and/or (ii) secured by Liens, and with respect to which Indebtedness and/or Liens, this Agreement contemplates an intercreditor, subordination, collateral trust or similar agreement.

Upon the request of the Administrative Agent at any time, 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 Loan Party from its obligations under the Loan Guaranty or its Lien on any Collateral pursuant to this Article 8. In each case as specified in this Article 8, the Administrative Agent will (and each Lender and each Issuing Bank hereby authorizes the Administrative Agent to), at Parent's expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Collateral Documents, to subordinate its interest therein, or to release

such Loan Party from its obligations under the Loan Guaranty, in each case in accordance with the terms of the Loan Documents and this Article 8.

The Administrative Agent is authorized to, and shall upon request of Parent, enter into any Acceptable Intercreditor Agreement and any other intercreditor, subordination, collateral trust or similar agreement contemplated hereby with respect to any (a) Indebtedness (i) that is (A) required or permitted to be subordinated hereunder or *pari passu* with or senior to the Liens securing the Obligations and/or (B) secured by Liens and (ii) with respect to which Indebtedness and/or Liens, this Agreement contemplates an intercreditor, subordination, collateral trust or similar agreement (any such other intercreditor, subordination, collateral trust and/or similar agreement, an "**Additional Agreement**") and/or (b) Secured Hedging Obligations and/or Banking Services Obligations, whether or not constituting Indebtedness, and each Secured Party acknowledges that any Acceptable Intercreditor Agreement and any Additional Agreement is binding upon them. Each Secured Party hereby (a) [reserved], (b) agrees that it will be bound by, and will not take any action contrary to, the provisions of any Acceptable Intercreditor Agreement or any Additional Agreement and (c) authorizes and instructs the Administrative Agent to enter into any Additional Agreement (including any Acceptable Intercreditor Agreement) and to subject the Liens on the Collateral securing the Secured Obligations to the provisions thereof. The foregoing provisions are intended as an inducement to the Secured Parties to extend credit to the Borrower, and the Secured Parties are intended third-party beneficiaries of such provisions and the provisions of any Acceptable Intercreditor Agreement and/or any other Additional Agreement.

To the extent that the Administrative Agent (or any Affiliate thereof) is not reimbursed and indemnified by the Borrower in accordance with the terms of this Agreement, the Lenders will reimburse and indemnify the Administrative Agent (and any Affiliate thereof) in proportion to their respective Applicable Percentages (determined as if there were no Defaulting Lenders) for and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, judgments, costs, expenses or disbursements of whatsoever kind or nature which may be imposed on, asserted against or incurred by the Administrative Agent (or any Affiliate thereof) in performing its duties hereunder or under any other Loan Document or in any way relating to or arising out of this Agreement or any other Loan Document; provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's (or such Affiliate's) gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision).

Each Lender (a) represents and warrants, as of the date such Person became a Lender party hereto, to, and (b) 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 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 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,

(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.

In addition, unless either (1) subclause (i) in the immediately preceding paragraph is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with subclause (iv) in the immediately preceding paragraph, 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).

ARTICLE 9 MISCELLANEOUS

Section 9.01. Notices.

(a) 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 facsimile or email, as follows:

(i) if to any Loan Party, to such Loan Party in the care of Parent at:

Reynolds Consumer Products Inc.,
1900 West Field Court,
Lake Forest, IL 60045,
Attention of: David Watson, General Counsel
E-mail: david.watson@reynoldspkg.com

with a copy to (which shall not constitute notice to any Loan Party):

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017

Attention of: Meyer Dworkin
E-mail: meyer.dworkin@davispolk.com

(ii) if to the Administrative Agent, at:

Credit Suisse AG, Cayman Islands Branch
Eleven Madison Avenue
New York, NY 10010
Attention of: Loan Operations – Agency Manager
E-mail: agency.loanops@credit-suisse.com

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

All such notices and other communications (A) sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof or three Business Days after dispatch if sent by certified or registered mail, in each case, delivered, sent or mailed (properly addressed) to the relevant party as provided in this Section 9.01 or in accordance with the latest unrevoked direction from such party given in accordance with this Section 9.01 or (B) sent by facsimile shall be deemed to have been given when sent and when receipt has been confirmed by telephone; provided that notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, such notices or other communications shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in clause (b) below shall be effective as provided in such clause (b).

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications (including e-mail and Internet or Intranet websites, including Intralinks or another similar electronic system (the "**Platform**")) pursuant to procedures set forth herein or otherwise approved by the Administrative Agent. The Administrative Agent or Parent (on behalf of any Loan Party) may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures set forth herein or otherwise approved by it; provided that approval of such procedures may be limited to particular notices or communications. All such notices and other communications (i) sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment); provided that if not given during the normal business hours of the recipient, such notice or communication shall be deemed to have been given at the opening of business on the next Business Day for the recipient and (ii) 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 (b)(i) of notification that such notice or communication is available and identifying the website address therefor.

(c) Certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to each Borrower or its securities) (each, a "**Public Lender**"). Parent and the Borrower (and any additional Borrower) hereby agree that, at the request of the Administrative Agent, (i) all materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (ii) by marking such materials "PUBLIC," the Borrowers shall be deemed to have authorized the Administrative Agent and the Lenders to treat such materials as not containing any material non-public information with respect to Parent and any Borrower

or its securities for purposes of foreign, United States federal and state securities laws (provided, however, that to the extent such materials constitute Confidential Information, they shall be treated as set forth in Section 9.13); (iii) all materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated as "Public Investor;" and (iv) the Administrative Agent shall be entitled to treat any materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not marked as "Public Investor." Notwithstanding the foregoing, the following materials shall be marked "PUBLIC", unless Parent or a Borrower notifies the Administrative Agent promptly that any such document contains material non-public information: (A) the Loan Documents and (B) notification of changes in the terms of the Credit Facilities. Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable law, including foreign, United States Federal and state securities laws, to make reference to communications that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to Parent or a Borrower or its securities for purposes of foreign, United States Federal or state securities laws.

(d) Any party hereto may change its address or facsimile number or other notice information hereunder by notice to the other parties hereto; it being understood and agreed that Parent may provide any such notice to the Administrative Agent as recipient on behalf of itself, each Issuing Bank and each Lender.

(e) The Borrower (and any additional Borrower) hereby irrevocably appoints Parent as its agent for all purposes relevant to this Agreement and each of the other Loan Documents (other than with respect to payment), including (i) the giving and receipt of notices and (ii) the execution and delivery of all documents, instruments and certificates contemplated herein and all modifications hereto. Any acknowledgment, consent, direction, certification or other action (other than with respect to payment) which might otherwise be valid or effective only if given or taken by all Borrowers, or by each Borrower acting singly, shall be valid and effective if given or taken only by Parent, whether or not any such Borrower joins therein. Any notice, demand, consent, acknowledgment, direction, certification or other communication delivered to Parent in accordance with the terms of this Agreement shall be deemed to have been delivered to each Borrower.

Section 9.02. Waivers; Amendments.

(a) No failure or delay by the Administrative Agent, any Issuing Bank or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof except as provided herein or in any other Loan Document, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Banks and the Lenders hereunder and under any other Loan Document are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by any party thereto therefrom shall in any event be effective unless the same is permitted by this Section 9.02, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which it is given. Without limiting the generality of the foregoing, to the extent permitted by law, the making of a Loan or the issuance of any Letter of Credit shall not be construed as a waiver of any Default or Event of Default, regardless of whether the Administrative Agent, any Lender or any Issuing Bank may have had notice or knowledge of such Default or Event of Default at the time.

(b) Subject to clauses (A), (B), (C), (D) and (E) of this Section 9.02(b) and Sections 9.02(c) and (d) below, neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended or modified, except (i) in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by Parent and the Required Lenders (or the Administrative Agent with the consent of the Required Lenders) or (ii) in the case of any other Loan Document (other than any waiver, amendment or modification to effectuate any modification thereto expressly contemplated by the terms of such other Loan Document), pursuant to an agreement or agreements in writing entered into by the Administrative Agent and each Loan Party that is party thereto, with the consent of the Required Lenders; provided that, notwithstanding the foregoing:

(A) except with the consent of each Lender directly and adversely affected thereby (but without requiring the consent of the Required Lenders), no such agreement shall;

(1) increase the Commitment of such Lender (other than with respect to any Incremental Facility pursuant to Section 2.21(a) in respect of which such Lender has agreed to be an Additional Lender); it being understood that no amendment, modification or waiver of, or consent to departure from, any condition precedent, representation, warranty, covenant, Default, Event of Default, mandatory prepayment or mandatory reduction of the Commitments shall constitute an increase of any Commitment of such Lender;

(2) reduce or forgive the principal amount of any Loan owed to such Lender or any amount due to such Lender on any Loan Installment Date (other than, in each case, any waiver of, or consent to or departure from, any Default or Event of Default or any mandatory prepayment; it being understood that no change in (i) the definition of "First Lien Leverage Ratio" or any other ratio used in the calculation of any mandatory prepayment (including any component definition thereof) or (ii) the MFN Provision shall constitute a reduction or forgiveness of any principal amount due hereunder);

(3) (x) extend the scheduled final maturity of any Loan or (y) postpone any Loan Installment Date, any Interest Payment Date or the date of any scheduled payment of any fee, in each case payable to such Lender hereunder (in each case, other than any extension for administrative reasons agreed by the Administrative Agent) (other than, in each case, any waiver of, or consent or departure from, any Default or Event of Default or any mandatory prepayment; it being understood that no change in the definition of "First Lien Leverage Ratio" or any other ratio used in the calculation of any mandatory prepayment (including any component definition thereof) shall constitute such an extension or postponement);

(4) reduce the rate of interest (other than to waive any Default or Event of Default or obligation of the Borrower to pay interest at the default rate of interest under Section 2.13(d), which shall only require the consent of the Required Lenders) or the amount of any fee owed to such Lender; it being understood that no change in (i) the definition of "First Lien Leverage Ratio" or any other ratio used in the calculation of the Commitment Fee Rate, or in the calculation of any other interest or fee due hereunder (including any component definition thereof) or (ii) the MFN Provision shall constitute a reduction in any rate of interest or fee hereunder;

(5) extend the expiry date of such Lender's Commitment; it being understood that no amendment, modification or waiver of, or consent to departure from, any condition precedent, representation, warranty, covenant, Default, Event of Default, mandatory prepayment or mandatory reduction of any Commitment shall constitute an extension of any Commitment of any Lender; and

(6) waive, amend or modify the provisions of Section 2.18(b) of this Agreement in a manner that would by its terms alter the pro rata sharing of payments required thereby (except in connection with any transaction permitted under Sections 2.22, 2.23, 9.02(c) and/or 9.05(g) or as otherwise provided in this Section 9.02); and

(B) no such agreement shall:

(1) change (x) any of the provisions of Section 9.02(a) or Section 9.02(b) or the definition of "Required Lenders" to reduce any voting percentage required to waive, amend or modify any right thereunder or make any determination or grant any consent thereunder, without the prior written consent of each Lender or (y) the definition of "Required Revolving Lenders" to reduce any voting percentage required to waive, amend or modify any right thereunder or make any determination or grant any consent thereunder, without the prior written consent of each Revolving Lender (it being understood that neither the consent of the Required Lenders nor the consent of any other Lender shall be required in connection with any change to the definition of "Required Revolving Lenders");

(2) release all or substantially all of the Collateral from the Lien granted pursuant to the Loan Documents (except as otherwise permitted herein or in the other Loan Documents, including pursuant to Article 8 or Section 9.22 hereof or pursuant to any Acceptable Intercreditor Agreement), without the prior written consent of each Lender; or

(3) release all or substantially all of the value of the Guarantees under the Loan Guaranty (except as otherwise permitted herein or in the other Loan Documents, including pursuant to Article 8 or Section 9.22 hereof), without the prior written consent of each Lender;

(C) solely with the consent of the Required Revolving Lenders (but without the consent of the Required Lenders or any other Lender), any such agreement may (x) waive, amend or modify Section 6.15 (or the definition of "First Lien Leverage Ratio" or any component definition thereof, in each case, as any such definition is used solely for purposes of Section 6.15) or waive any Default or Event of Default in respect of Section 6.15 (other than as permitted under clause (y)), (y) waive, amend or modify any condition precedent set forth in Section 4.02 hereof as it pertains to any Revolving Loan and/or Additional Revolving Loan and/or (z) waive any Default or Event of Default that results from any representation made or deemed made by any Loan Party in any Loan Document in connection with any Credit Extension under the Revolving Facility being untrue in any material respect as of the date made or deemed made;

(D) solely with the consent of the relevant Issuing Bank and, in the case of clause (x), the Administrative Agent, any such agreement may (x) increase or decrease the Letter of Credit Sublimit or (y) waive, amend or modify any condition precedent set forth in Section 4.02 hereof as it pertains to the issuance of any Letter of Credit by such Issuing Bank; and

(E) solely with the consent of the Borrower and applicable Class or Classes of Revolving Lenders and/or, if applicable, Issuing Banks, subject to the provisions of Section 1.10, this Agreement may be amended or otherwise modified to permit the availability of Revolving Loans and/or Letters of Credit denominated in a currency other than Dollars and to make technical changes to this Agreement and any other Loan Document to accommodate the inclusion of any such new currency;

provided, further, that no such agreement shall adversely amend, modify or otherwise affect the rights or duties of the Administrative Agent or any Issuing Bank hereunder without the prior written consent of the Administrative Agent and/or any such Issuing Bank, as the case may be. The Administrative Agent may also amend the Commitment Schedule to reflect assignments entered into pursuant to Section 9.05, Commitment reductions or terminations pursuant to Section 2.09, incurrences of Additional Commitments or Additional Loans pursuant to Sections 2.22, 2.23 or 9.02(c) and reductions or terminations of any such Additional Commitments or Additional Loans. Notwithstanding anything to the contrary herein, (i) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of any Defaulting Lender may not be increased without the consent of such Defaulting Lender (it being understood that any Commitment or Loan held or deemed held by any Defaulting Lender shall be excluded from any vote hereunder that requires the consent of any Lender, except as expressly provided in Section 2.21(b)) and (ii) no Net Short Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder or under any of the Loan Documents and instead shall be deemed to have voted its interest as a Lender as provided in the immediately succeeding paragraph below. Notwithstanding the foregoing, but without limiting the provisions of Section 2.22(g), this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and the Borrower (i) to add one or more additional credit facilities to this Agreement and to permit any extension of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the relevant benefits of this Agreement and the other Loan Documents and (ii) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders on substantially the same basis as the Lenders prior to such inclusion.

Notwithstanding anything to the contrary herein, in connection with any determination as to whether the requisite Lenders have (A) consented (or not consented) to any amendment or waiver of any provision of this Agreement or any other Loan Document or any departure by any Loan Party therefrom, (B) otherwise acted on any matter related to any Loan Document, or (C) directed or required the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, any Lender (other than (x) any Lender that is a Regulated Bank and (y) any Initial Revolving Lender as of the Closing Date) that, as a result of its interest in any total return swap, total rate of return swap, credit default swap or other derivative contract (other than any such total return swap, total rate of return swap, credit default swap or other derivative contract entered into pursuant to bona fide market making activities), has a net short position with respect to the Loans and/or Commitments (each, a "**Net Short Lender**") shall have no right to vote any of its Loans and Commitments and shall be deemed to have voted its interest as a Lender without discretion in the same proportion as the allocation of voting with respect to such matter by Lenders who are not Net Short Lenders. For purposes of determining whether a Lender has a "net short position" on any date of determination: (i) derivative contracts with respect to the Loans and Commitments and such contracts that

are the functional equivalent thereof shall be counted at the notional amount thereof in Dollars, (ii) notional amounts in other currencies shall be converted to the dollar equivalent thereof by such Lender in a commercially reasonable manner consistent with generally accepted financial practices and based on the prevailing conversion rate (determined on a mid-market basis) on the date of determination, (iii) derivative contracts in respect of an index that includes any of the Borrower or other Loan Parties or any instrument issued or guaranteed by any of Parent or other Loan Parties shall not be deemed to create a short position with respect to the Loans and/or Commitments, so long as (x) such index is not created, designed, administered or requested by such Lender and (y) Parent and other Loan Parties and any instrument issued or guaranteed by any of Parent or other Loan Parties, collectively, shall represent less than 5% of the components of such index, (iv) derivative transactions that are documented using either the 2014 ISDA Credit Derivatives Definitions or the 2003 ISDA Credit Derivatives Definitions (collectively, the "**ISDA CDS Definitions**") shall be deemed to create a short position with respect to the Loans and/or Commitments if such Lender is a protection buyer or the equivalent thereof for such derivative transaction and (x) the Loans or the Commitments are a "Reference Obligation" under the terms of such derivative transaction (whether specified by name in the related documentation, included as a "Standard Reference Obligation" on the most recent list published by Markit, if "Standard Reference Obligation" is specified as applicable in the relevant documentation or in any other manner), (y) the Loans or the Commitments would be a "Deliverable Obligation" under the terms of such derivative transaction or (z) any of Parent or other Loan Parties (or its successor) is designated as a "Reference Entity" under the terms of such derivative transactions, and (v) credit derivative transactions or other derivatives transactions not documented using the ISDA CDS Definitions shall be deemed to create a short position with respect to the Loans and/or Commitments if such transactions are functionally equivalent to a transaction that offers the Lender protection in respect of the Loans or the Commitments, or as to the credit quality of any of Parent or other Loan Parties other than, in each case, as part of an index so long as (x) such index is not created, designed, administered or requested by such Lender and (y) Parent and other Loan Parties and any instrument issued or guaranteed by any of Parent or other Loan Parties, collectively, shall represent less than 5% of the components of such index. In connection with any such determination, each Lender shall promptly notify the Administrative Agent in writing that it is a Net Short Lender, or shall otherwise be deemed to have represented and warranted to Parent and the Administrative Agent that it is not a Net Short Lender (it being understood and agreed that Parent and the Administrative Agent shall be entitled to rely on each such notification and deemed representation).

Notwithstanding the foregoing, this Agreement may be amended:

(i) with the written consent of the Borrower and the Lenders providing the relevant Replacement Term Loans to permit the refinancing or replacement of all or any portion of the outstanding Term Loans under any applicable Class (any such loans being refinanced or replaced, the "**Replaced Term Loans**") with one or more replacement term loans hereunder ("**Replacement Term Loans**") pursuant to a Refinancing Amendment; provided that

(A) the aggregate principal amount of any Replacement Term Loans shall not exceed the aggregate principal amount of the Replaced Term Loans (*plus* (1) any additional amounts permitted to be incurred under Section 6.01 and, to the extent any such additional amounts are secured, the related Liens are permitted under Section 6.02 and *plus* (2) the amount of accrued interest, penalties and premium (including any tender premium) thereon, any committed but undrawn amount and underwriting discounts, fees (including upfront fees, original issue discount or initial yield payments), commissions and expenses associated therewith),

(B) any Replacement Term Loans (other than (x) customary bridge loans with a maturity date of not longer than one year; provided that any loans, notes,

securities or other Indebtedness which are exchanged for or otherwise replace such bridge loans shall be subject to the requirements of this clause (B), (y) Customary Term A Loans and (z) Refinancing Indebtedness having an aggregate principal amount outstanding not exceeding the greater of $655,000,000 and 100% of Consolidated Adjusted EBITDA as of the last day of the most recently ended Test Period) must have a final maturity date that is equal to or later than the final maturity date of, and have a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Replaced Term Loans at the time of the relevant refinancing,

(C) any Replacement Term Loans may be *pari passu* or junior in right of payment and *pari passu* (without regard to the control of remedies) or junior with respect to the Collateral with the remaining portion of the Initial Term Loans or Additional Term Loans (provided that if *pari passu* or junior as to Collateral, such Replacement Term Loans shall be subject to an Acceptable Intercreditor Agreement and may, at the option of Parent, be documented in a separate agreement or agreements), or be unsecured,

(D) if any Replacement Term Loans are secured, such Replacement Term Loans may not be secured by any assets other than the Collateral,

(E) if any Replacement Term Loans are guaranteed, such Replacement Term Loans may not be guaranteed by any Person other than one or more Loan Parties,

(F) any Replacement Term Loans that are *pari passu* with the Initial Term Loans in right of payment and security may participate (A) in any voluntary prepayment of Term Loans as set forth in Section 2.11(a)(i) and (B) in any mandatory prepayment of Term Loans as set forth in Section 2.11(b)(vi),

(G) any Replacement Term Loans shall have pricing (including interest, fees and premiums) and, subject to preceding clause (F), optional prepayment and redemption terms and, subject to preceding clause (B), an amortization schedule, as the Borrower and the lenders providing such Replacement Term Loans may agree,

(H) the covenants and events of default of any Replacement Term Loans (excluding pricing, interest, fees, rate floors, premiums, optional prepayment or redemption terms, security and maturity, subject to preceding clauses (B) through (G)) shall be (i) substantially identical to, or (taken as a whole) no more favorable (as determined by Parent in good faith) to the lenders providing such Replacement Term Loans than, those applicable to the Replaced Term Loans (other than covenants or other provisions applicable only to periods after the latest Maturity Date of such Replaced Term Loans (in each case, as of the date of incurrence of such Replacement Term Loans)), (ii) then-current market terms (as determined by Parent in good faith at the time of incurrence or issuance (or the obtaining of a commitment with respect thereto)) for the applicable type of Indebtedness or (iii) reasonably acceptable to the Administrative Agent (it being agreed that covenants and events of default of any Replacement Term Loans that are more favorable to the lenders or the agent of such Replacement Term Loans than those contained in the Loan Documents and are then conformed (or added) to the Loan Documents pursuant to the applicable Refinancing Amendment shall thereafter be deemed acceptable to the Administrative Agent), and

(ii) with the written consent of the Borrower and the Lenders providing the relevant Replacement Revolving Facility to permit the refinancing or replacement of all or any portion of any Revolving Credit Commitment under the applicable Class (any such Revolving Credit Commitment being refinanced or replaced, a "**Replaced Revolving Facility**") with a replacement revolving facility hereunder (a "**Replacement Revolving Facility**") pursuant to a Refinancing Amendment; provided that:

(A) the aggregate principal amount of any Replacement Revolving Facility shall not exceed the aggregate principal amount of the Replaced Revolving Facility (plus (x) any additional amounts permitted to be incurred under Section 6.01 and, to the extent any such additional amounts are secured, the related Liens are permitted under Section 6.02 and (y) the amount of accrued interest, penalties and premium thereon, any committed but undrawn amounts and underwriting discounts, fees (including upfront fees and original issue discount), commissions and expenses associated therewith),

(B) no Replacement Revolving Facility other than customary bridge loans with a maturity date of not longer than one year; provided that any loans, notes, securities or other Indebtedness which are exchanged for or otherwise replace such bridge loans shall be subject to the requirements of this clause (B) may have a final maturity date (or require commitment reductions) prior to the final maturity date of the relevant Replaced Revolving Facility at the time of such refinancing,

(C) any Replacement Revolving Facility may be *pari passu* or junior in right of payment and *pari passu* (without regard to the control of remedies) or junior with respect to the Collateral with the remaining portion of any Revolving Credit Commitments (provided that if *pari passu* or junior as to payment or Collateral, such Replacement Revolving Facility shall be subject to an Acceptable Intercreditor Agreement and may be, at the option of Parent, documented in a separate agreement or agreements), or be unsecured,

(D) if any Replacement Revolving Facility is secured, it may not be secured by any assets other than the Collateral,

(E) if any Replacement Revolving Facility is guaranteed, it may not be guaranteed by any Person other than one or more Loan Parties,

(F) any Replacement Revolving Facility shall be subject to the "ratability" provisions applicable to Extended Revolving Credit Commitments and Extended Revolving Loans set forth in the proviso to clause (i) of Section 2.23(a), *mutatis mutandis*, to the same extent as if fully set forth in this Section 9.02(b)(ii),

(G) any Replacement Revolving Facility shall have pricing (including interest, fees and premiums) and, subject to preceding clause (F), optional prepayment and redemption terms as the Borrower and the lenders providing such Replacement Revolving Facility may agree,

(H) the covenants and events of default of any Replacement Revolving Facility (excluding pricing, interest, fees, rate floors, premiums, optional prepayment or redemption terms, security and maturity, subject to preceding clauses (B) through (G)) shall be (i) substantially identical to, or (taken as a whole) no more

favorable (as determined by Parent in good faith) to the lenders providing such Replacement Revolving Facility than, those applicable to the Replaced Revolving Facility (other than covenants or other provisions applicable only to periods after the latest Maturity Date of such Replaced Revolving Facility (in each case, as of the date of incurrence of the relevant Replacement Revolving Facility)), (ii) then-current market terms (as determined by Parent in good faith at the time of incurrence or issuance (or the obtaining of a commitment with respect thereto)) for the applicable type of Indebtedness or (iii) reasonably acceptable to the Administrative Agent (it being agreed that covenants and events of default of any Replacement Revolving Facility that are more favorable to the lenders or the agent of such Replacement Revolving Facility than those contained in the Loan Documents and are then conformed (or added) to the Loan Documents pursuant to the applicable Refinancing Amendment shall be deemed acceptable to the Administrative Agent), and

(I) the commitments in respect of the Replaced Revolving Facility shall be terminated, and all loans outstanding thereunder and all fees then due and payable in connection therewith shall be paid in full, in each case on the date such Replacement Revolving Facility is implemented;

provided, further, that, in respect of each of clauses (i) and (ii) of this clause (b), (x) any Non-Debt Fund Affiliate and Debt Fund Affiliate shall be permitted (without Administrative Agent consent) to provide any Replacement Term Loans, it being understood that in connection with such Replacement Term Loans, the relevant Non-Debt Fund Affiliate or Debt Fund Affiliate, as applicable, shall be subject to the restrictions applicable to such Persons under Section 9.05 as if such Replacement Term Loans were Term Loans and (y) any Debt Fund Affiliate (but not any Non-Debt Fund Affiliate) may (without Administrative Agent consent) provide any Replacement Revolving Facility.

Each party hereto hereby agrees that, upon the effectiveness of any Refinancing Amendment, this Agreement shall be amended by Parent, the Borrower, the Administrative Agent and the lenders providing the relevant Replacement Term Loans or the Replacement Revolving Facility, as applicable, to the extent (but only to the extent) necessary to reflect the existence and terms of such Replacement Term Loans or Replacement Revolving Facility, as applicable, incurred or implemented pursuant thereto (including any amendment necessary to treat the loans and commitments subject thereto as a separate "tranche" and "Class" of Loans and/or commitments hereunder). It is understood that any Lender approached to provide all or a portion of any Replacement Term Loans or any Replacement Revolving Facility may elect or decline, in its sole discretion, to provide such Replacement Term Loans or Replacement Revolving Facility.

(c) Notwithstanding anything to the contrary contained in this Section 9.02 or any other provision of this Agreement or any provision of any other Loan Document, (i) Parent and the Administrative Agent may, without the input or consent of any Lender, amend, supplement and/or waive any guaranty, collateral security agreement, pledge agreement and/or related document (if any) executed in connection with this Agreement to (x) comply with any Requirements of Law or the advice of counsel or (y) cause any such guaranty, collateral security agreement, pledge agreement or other document to be consistent with this Agreement and/or the relevant other Loan Documents, (ii) Parent and the Administrative Agent may, without the input or consent of any other Lender (other than the relevant Lenders (including Additional Lenders) providing Loans under such Sections), effect amendments to this Agreement and the other Loan Documents as may be necessary in the reasonable opinion of Parent and the Administrative Agent to (A) effect the provisions of Sections 2.14(b), 2.22, 2.23, 5.12, 5.14, 5.15, 5.16 or 9.02(b), or any other provision specifying that any waiver, amendment or modification may be made with the consent or approval of the Administrative Agent and/or (B) add terms (including

representations and warranties, conditions, prepayments, covenants or events of default), in connection with the addition of any Loan or Commitment hereunder or the incurrence of any Incremental Equivalent Debt, any Replacement Term Loans, any Replacement Revolving Facility, any Replacement Debt and/or any Refinancing Indebtedness incurred in reliance on Section 6.01(p) with respect to Indebtedness originally incurred in reliance on Section 6.01(z), that are favorable to the then-existing Lenders, as reasonably determined by the Administrative Agent (it being understood that, where applicable, any such amendment may be effectuated as part of an Incremental Facility Amendment and/or a Refinancing Amendment), (iii) if the Administrative Agent and Parent have jointly identified any ambiguity, mistake, defect, inconsistency, obvious error or any error or omission of a technical or administrative nature or any necessary or desirable technical change, in each case, in any provision of any Loan Document, then the Administrative Agent and Parent shall be permitted to amend such provision solely to address such matter as reasonably determined by them acting jointly without the consent of any Lender so long as, upon the written request of the Administrative Agent, such proposed amendment has been posted to the Lenders and the Administrative Agent shall not have received, within five Business Days of the date of such posting, a written notice from the Required Lenders stating that such Lenders object to such amendment, (iv) the Administrative Agent and Parent may amend, restate, amend and restate or otherwise modify any Acceptable Intercreditor Agreement as provided therein or to give effect thereto or to carry out the purpose thereof without the input or consent of any Lender and (v) any amendment, waiver or modification of any term or provision that directly affects Lenders under one or more Classes and does not directly affect Lenders under one or more other Classes may be effected with the consent of Lenders owning 50% of the aggregate commitments or Loans of such directly affected Class in lieu of the consent of the Required Lenders.

(d) (i) Notwithstanding anything to the contrary contained in this Section 9.02 or any Loan Document, Parent may at any time, upon not less than ten (10) Business Days' notice from Parent to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent in its sole discretion), designate any Subsidiary of Parent as an additional Revolving Borrower and/or an additional Term Loan Borrower hereunder (each such entity, a "**Discretionary Borrower**") pursuant to joinder or other documentation to be reasonably agreed solely between the Administrative Agent and Parent (the "**Borrower Joinder**"); provided, that solely in the case of any such designation of a non-Domestic Subsidiary of Parent as a co-Borrower, consent of the Administrative Agent shall be required prior to the addition of any such co-Borrower, such consent not to be unreasonably withheld, delayed or conditioned. Parent and the Administrative Agent shall be permitted to make such amendments to the Loan Documents as necessary to incorporate such additional entity as a co-Borrower. The parties hereto acknowledge and agree that prior to any such entity becoming a Borrower hereunder, the Administrative Agent shall have received (w) such corporate authorizations, opinions, and customary certificates (including with respect to representations) reasonably requested by the Administrative Agent, (x) the receipt of customary "Know Your Customer" information requested by the Administrative Agent, (y) the receipt of, in relation to itself as a "legal entity customer", a Beneficial Ownership Certification and (z) joinders or amendments to security or guaranty documents to evidence the Borrower Joinder, reasonably satisfactory to the Administrative Agent. The new Borrower shall be a party to the Credit Agreement and shall constitute a "Borrower" for all purposes thereof, and the new Borrower shall agree to be bound by all provisions of the Credit Agreement.

(ii) Each such Discretionary Borrower hereby irrevocably appoints the Lead Borrower as its agent for all purposes relevant to this Agreement and each of the other Loan Documents (other than with respect to payment), including (i) the giving and receipt of notices and (ii) the execution and delivery of all documents, instruments and certificates contemplated herein and all modifications hereto. Any acknowledgment, consent, direction, certification or other action (other than with respect to payment) which might otherwise be valid or effective only if given or taken by all Borrowers, or by each Borrower acting singly, shall be valid and effective

if given or taken only by the Lead Borrower, whether or not any such other Borrower joins therein. Any notice, demand, consent, acknowledgment, direction, certification or other communication delivered to the Lead Borrower in accordance with the terms of this Agreement shall be deemed to have been delivered to each such additional Borrower.

(iii) Notwithstanding anything to the contrary contained in this Section 9.02 or any Loan Document, Parent may at any time, upon not less than five (5) Business Days' notice from Parent to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent in its sole discretion), designate any Borrower hereunder as the Lead Borrower; provided, that there shall be no more than one Lead Borrower at any time.

Section 9.03. Expenses; Indemnity.

(a) Subject to Section 9.05(f), the Borrower shall pay, upon presentation of a summary statement, together with any supporting documentation reasonably requested by Parent, (i) all reasonable and documented out-of-pocket expenses incurred by each Arranger, the Administrative Agent and their respective Affiliates (but limited, in the case of legal fees and expenses, to the actual reasonable and documented out-of-pocket fees, disbursements and other charges of one firm of outside counsel to all such Persons taken as a whole and, if reasonably necessary, of one local counsel in any relevant material jurisdiction to all such Persons, taken as a whole) in connection with the syndication and distribution (including via the Internet or through a service such as Intralinks) of the Credit Facilities, the preparation, execution, delivery and administration of the Loan Documents and any related documentation, including in connection with any amendment, modification or waiver of any provision of any Loan Document (whether or not the transactions contemplated thereby are consummated, but only to the extent the preparation of any such amendment, modification or waiver was requested by Parent) and (ii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, the Arrangers, the Issuing Banks or the Lenders or any of their respective Affiliates (but limited, in the case of legal fees and expenses, to the actual reasonable and documented out-of-pocket fees, disbursements and other charges of one firm of outside counsel to all such Persons taken as a whole and, if reasonably necessary, of one local counsel in any relevant material jurisdiction to all such Persons, taken as a whole) in connection with the enforcement, collection or protection of their respective rights in connection with the Loan Documents, including their respective rights under this Section, or in connection with the Loans made and/or Letters of Credit issued hereunder. Except to the extent required to be paid on the Closing Date, all amounts due under this paragraph (a) shall be payable by the Borrower within 30 days of receipt by the Borrower of an invoice setting forth such expenses in reasonable detail, together with backup documentation supporting the relevant reimbursement request.

(b) The Borrower shall indemnify each Arranger, the Administrative Agent, each Issuing Bank, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all losses, claims, damages and liabilities (but limited, in the case of legal fees and expenses, to the actual reasonable and documented out-of-pocket fees, disbursements and other charges of one counsel to all Indemnitees taken as a whole and, if reasonably necessary, one local counsel in any relevant material jurisdiction to all Indemnitees taken as a whole and, solely in the case of an actual or perceived conflict of interest after the affected Person notifies Parent of such conflict, (x) one additional counsel to all similarly situated affected Indemnitees taken as a whole and (y) one additional local counsel in any relevant material jurisdiction to all similarly situated affected Indemnitees taken as a whole), incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of the Loan Documents or any agreement or instrument contemplated thereby, the performance by the parties hereto of their respective obligations thereunder or the consummation of the Transactions or any other transactions contemplated hereby or thereby (except for any Taxes, which shall be governed exclusively

by Section 2.17), (ii) the use of the proceeds of the Loans or any Letter of Credit, (iii) to the extent related to any of the foregoing (including the exercise of any rights of any Arranger, Administrative Agent, Issuing Bank, Lender or Related Party arising in connection with the matters that are the subject of clause (i) above), any Environmental Liability related in any way to the Borrower 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 and regardless of whether any Indemnitee is a party thereto (and regardless of whether such matter is initiated by a third party or by Parent, any other Loan Party or any of their respective Affiliates); provided that such indemnity shall not, as to any Indemnitee, be available to the extent that any such loss, claim, damage or liability (i) is determined by a final and non-appealable judgment of a court of competent jurisdiction (or documented in any settlement agreement referred to below) to have resulted from the gross negligence, bad faith or willful misconduct of such Indemnitee or its Related Party or, to the extent such judgment finds (or any such settlement agreement acknowledges) that any such loss, claim, damage or liability has resulted from such Person's or a Related Party of such Person's material breach of the Loan Documents or (ii) arises out of any claim, litigation, investigation or proceeding brought by such Indemnitee against another Indemnitee (other than any claim, litigation, investigation or proceeding that is brought by or against the Administrative Agent, any Issuing Bank or any Arranger, acting in its capacity as the Administrative Agent, as an Issuing Bank or as an Arranger) that does not involve any act or omission of Parent or any of its subsidiaries. Each Indemnitee shall be obligated to refund or return any and all amounts paid by the Borrower pursuant to this Section 9.03(b) to such Indemnitee for any fees, expenses or damages to the extent such Indemnitee is not entitled to payment thereof in accordance with the terms hereof. All amounts due under this paragraph (b) shall be payable by the Borrower within 30 days (x) after receipt by the Borrower of a written demand therefor, in the case of any indemnification obligations and (y) in the case of reimbursement of costs and expenses, after receipt by the Borrower of an invoice, setting forth such costs and expenses in reasonable detail, together with backup documentation supporting the relevant reimbursement request. This Section 9.03(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages or liabilities arising from any non-Tax claim.

(c) The Borrower shall not be liable for any settlement or compromise of, or the consent to the entry of any judgment with respect to, any proceeding effected without its consent (which consent shall not be unreasonably withheld, delayed or conditioned), but if any proceeding is so settled, compromised or consented to with the Borrower's written consent, or if there is a final judgment entered against any Indemnitee in any such proceeding, the Borrower agrees to indemnify and hold harmless each Indemnitee to the extent and in the manner set forth above. The Borrower shall not, without the prior written consent of the affected Indemnitee (which consent shall not be unreasonably withheld, conditioned or delayed), effect any settlement of any pending or threatened proceeding in respect of which indemnity could have been sought hereunder by such Indemnitee unless (i) such settlement includes an unconditional release of such Indemnitee from all liability or claims that are the subject matter of such proceeding and (ii) such settlement does not include any statement as to any admission of fault or culpability.

Section 9.04. Waiver of Claim. To the extent permitted by applicable law, no party to this Agreement nor any Secured Party shall assert, and each hereby waives, any claim against any other party hereto, any other Loan Party and/or any Related Party of any thereof, 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 or any agreement or instrument contemplated hereby, the Transactions, any Loan or any Letter of Credit or the use of the proceeds thereof, except, in the case of any claim by any Indemnitee against the Borrower, to the extent such damages would otherwise be subject to indemnification pursuant to the terms of Section 9.03.

Section 9.05. Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided that (i) except as provided under Section 6.07, the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with the terms of this Section (any attempted assignment or transfer not complying with the terms of this Section shall be null and void and, with respect to any attempted assignment or transfer to any Disqualified Institution, subject to Section 9.05(f)). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and permitted assigns, Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Arrangers, the Administrative Agent, the Issuing Banks and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement. Any Successor Borrower permitted pursuant to a transaction referred to in clause (i) of the proviso above, shall thereafter be deemed to be and become the "Borrower" for all purposes hereunder, and such initial Borrower shall be released from its Obligations in respect of this Agreement and the other Loan Documents.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of any Additional Loan or Additional Commitment added pursuant to Sections 2.22, 2.23 or 9.02(c) at the time owing to it) with the prior written consent (not to be unreasonably withheld or delayed) of:

(A) Parent; provided that Parent shall be deemed to have consented to any assignment of Term Loans (other than any such assignment to a Disqualified Institution or an affiliate thereof referred to in the last proviso of this clause (i)) if it has not responded to a written request for its consent from the Administrative Agent within 15 Business Days after receiving such written request; provided, further, that no consent of Parent shall be required (x) for any assignment of Term Loans or Term Commitments to another Lender, an Affiliate of any Lender or an Approved Fund, (y) for any assignment of Revolving Loans or Revolving Credit Commitments to another Revolving Lender or (z) during the continuance of a Specified Event of Default;

(B) the Administrative Agent; provided that no consent of the Administrative Agent shall be required for any assignment to another Lender, any Affiliate of a Lender or any Approved Fund, or for any assignment to Parent and/or its Affiliates, which otherwise complies with the terms of this Section 9.05; and

(C) in the case of any Revolving Facility, unless the relevant assignment is to a Revolving Lender or an affiliate of a Revolving Lender, each Issuing Bank.

provided, that, notwithstanding the foregoing, the Borrower may, in its sole discretion, withhold its consent to any assignment to any Person that is not expressly a Disqualified Institution but is known by the Borrower to be an Affiliate of a Disqualified Institution without regard as to whether such Person is identifiable as an Affiliate of a Disqualified Institution on the basis of such Affiliate's name.

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

(A) except in the case of any assignment to another Lender, any Affiliate of any Lender or any Approved Fund or any assignment of the entire remaining amount of the relevant assigning Lender's Loans or commitments of any Class, the principal amount of Loans or commitments of the assigning Lender subject to the relevant assignment (determined as of the date on which the Assignment Agreement with respect to such assignment is delivered to the Administrative Agent and determined on an aggregate basis in the event of concurrent assignments to Related Funds or by Related Funds) shall not be less than $1,000,000, unless the Borrower and the Administrative Agent otherwise consent to a lesser amount, and in each case any assigned amount may exceed such minimum amount in an integral multiple of $1,000,000 in excess thereof;

(B) any partial assignment shall be made as an assignment of a proportionate part of all the relevant assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment Agreement via an electronic settlement system acceptable to the Administrative Agent (or, if previously agreed with the Administrative Agent, manually), and shall pay to the Administrative Agent a processing and recordation fee of $3,500 (which fee may be waived or reduced in the sole discretion of the Administrative Agent and which fee shall not apply for any assignment to an Affiliated Lender or Debt Fund Affiliate);

(D) the relevant Eligible Assignee, if it is not a Lender, shall deliver on or prior to the effective date of such assignment, to the Administrative Agent and the Borrower (irrespective of whether an Event of Default exists) (1) an Administrative Questionnaire and (2) any form required under Section 2.17; and

(E) the assigning Lender shall, concurrently with its delivery of the same to the Administrative Agent, provide the Borrower with a copy of its request for such assignment, which shall include the name of the prospective assignee (irrespective of whether an Event of Default exists).

(iii) Except as otherwise provided in Section 9.05(g), subject to the acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified in any Assignment Agreement, the Eligible Assignee thereunder shall be a party hereto and, to the extent of the interest assigned pursuant to such Assignment Agreement, 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 Agreement, be released from its obligations under this Agreement (and, in the case of an Assignment Agreement 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 (A) entitled to the benefits of Sections 2.15, 2.16, 2.17 and 9.03 with respect to facts and circumstances occurring on or prior to the effective date of such assignment and (B) subject to its obligations thereunder and under Section 9.13). If any assignment by any Lender holding any Promissory Note is made after the issuance of such Promissory Note, the assigning Lender shall, upon the effectiveness of such assignment or as promptly thereafter as practicable, surrender such Promissory Note to the Administrative Agent for cancellation, and, following such cancellation, if requested by either the assignee or the assigning Lender, the Borrower shall issue and deliver a new Promissory Note to such assignee and/or to such assigning Lender, with appropriate insertions, to reflect the new commitments and/or outstanding Loans of the assignee and/or the assigning Lender.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices a copy of each Assignment Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders and their respective successors and assigns, and the commitment of, and principal amount of and interest on the Loans and LC Disbursements owing to, each Lender or Issuing Bank pursuant to the terms hereof from time to time (the "**Register**"). Failure to make any such recordation, or any error in such recordation, shall not affect the Borrower's obligations in respect of such Loans and LC Disbursements. The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Administrative Agent, the Issuing Banks 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, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, each Issuing Bank and each Lender (but only as to its own holdings), at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment Agreement executed by an assigning Lender and an Eligible Assignee, the Eligible Assignee's completed Administrative Questionnaire and any tax certification required by Section 9.05(b)(ii)(D)(2) (unless the assignee is already a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section, if applicable, and any written consent to the relevant assignment required by paragraph (b) of this Section, the Administrative Agent shall promptly accept such Assignment Agreement and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(vi) By executing and delivering an Assignment Agreement, the assigning Lender and the Eligible Assignee thereunder shall be deemed to confirm and agree with each other and the other parties hereto as follows: (A) such assigning Lender warrants that it is the legal and beneficial owner of the interest being assigned thereby free and clear of any adverse claim and that the amount of its commitments, and the outstanding balances of its Loans, in each case without giving effect to any assignment thereof which has not become effective, are as set forth in such Assignment Agreement, (B) except as set forth in clause (A) above, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statement, warranty or representation made in or in connection with this Agreement, or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any other Loan Document or any other instrument or document furnished pursuant hereto, or the financial condition of Parent or any Restricted Subsidiary or the performance or observance by Parent or any Restricted Subsidiary of any of its obligations under this Agreement, any other Loan Document or any other instrument or document furnished pursuant hereto; (C) such assignee represents and warrants that it is an Eligible Assignee (and not a Disqualified Institution), legally authorized to enter into such Assignment Agreement; (D) such assignee confirms that it has received a copy of this Agreement and each then-applicable Acceptable Intercreditor Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment Agreement; (E) such assignee will independently and without reliance upon the Administrative Agent, the assigning Lender or any other Lender and based on such documents and information as it deems appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (F) such assignee appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent, by the terms hereof, together with such powers as are reasonably incidental thereto; and (G) such assignee agrees that it will perform in accordance

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

(c) (i) Any Lender may, without the consent of the Borrower, the Administrative Agent, any Issuing Bank or any other Lender, sell participations to any bank or other entity (other than to any Disqualified Institution or an Affiliate thereof referred to in the last proviso of clause (b)(i) of this Section, any Defaulting Lender or any natural Person) (a "**Participant**") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its commitments and the Loans owing to it); provided, that, (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Administrative Agent, the Issuing Banks and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which any 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 relevant Participant, agree to any amendment, modification or waiver described in (x) clause (A) of the first proviso to Section 9.02(b) that directly and adversely affects the Loans or commitments in which such Participant has an interest and (y) clauses (B)(1), (2) or (3) of the first proviso to Section 9.02(b). Subject to paragraph (c)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15, 2.16 and 2.17 (subject to the limitations and requirements of such Sections and Section 2.19) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section (it being understood that the documentation required under Section 2.17(f) shall be delivered to the participating Lender, and if additional amounts are required to be paid pursuant to Section 2.17(a) or Section 2.17(c), to the Borrower). To the extent permitted by applicable Requirements of Law, each Participant also shall be entitled to the benefits of Section 9.09 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.18(c) as though it were a Lender.

(ii) No Participant shall be entitled to receive any greater payment under Sections 2.15, 2.16 or 2.17 than the participating Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent (in its sole discretion) expressly acknowledging such Participant may receive a greater benefit. Any Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.17 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.17(f) as though it were a Lender and to deliver the tax forms required to claim an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document and then only to the extent of any amount to which such Lender would be entitled in the absence of any such participation (it being understood that the documentation required under Section 2.17(f) shall be delivered to the participating Lender, and if additional amounts are required to be paid pursuant to Section 2.17(a) or Section 2.17(c), to the Borrower).

Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and their respective successors and assigns, and the principal amounts and stated interest of 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 any Participant's interest in any Commitment, Loan, Letter of Credit or any other obligation 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 Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and each 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.

(d) (i) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (other than to any Disqualified Institution, Defaulting Lender or any natural person) to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to any Federal Reserve Bank or other central bank having jurisdiction over such Lender, and this Section 9.05 shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release any Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(ii) No Lender may at any time enter into a total return swap, total rate of return swap, credit default swap or other derivative instrument under which any Loan or other Obligation hereunder is a reference obligation with any counterparty that is a Disqualified Institution.

(e) Notwithstanding anything to the contrary contained herein, any Lender (a "**Granting Lender**") may grant to a special purpose funding vehicle (an "**SPC**"), identified as such in writing from time to time by the Granting Lender to the Administrative Agent and Parent, the option to provide to the Borrower all or any part of any Loan that such Granting Lender would otherwise be obligated to make to the Borrower pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to make any Loan, (ii) if an SPC elects not to exercise such option or otherwise fails to provide all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof and (iii) in no event may any Lender grant any option to provide to the Borrower all or any part of any Loan that such Granting Lender would have otherwise been obligated to make to the Borrower pursuant to this Agreement to any Disqualified Institution or Defaulting Lender. The making of any Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Each party hereto hereby agrees that (i) neither the grant to any SPC nor the exercise by any SPC of such option shall increase the costs or expenses or otherwise increase or change the obligations of the Borrower under this Agreement (including its obligations under Section 2.15, 2.16 or 2.17) and no SPC shall be entitled to any greater amount under Section 2.15, 2.16 or 2.17 or any other provision of this Agreement or any other Loan Document that the Granting Lender would have been entitled to receive, unless the grant to such SPC is made with the prior written consent of Parent (in its sole discretion), expressly acknowledging that such SPC's entitlement to benefits under Section 2.15, 2.16 or 2.17 is not limited to what the Granting Lender would have been entitled to receive absent the grant to the SPC, (ii) no SPC shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Lender) and (iii) the Granting Lender shall for all purposes including approval of any amendment, waiver or other modification of any provision of the Loan Documents, remain the Lender of record hereunder. In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPC, it will not institute against, or join any other Person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the Requirements of Law of the U.S. or any State thereof; provided that (i) such SPC's Granting Lender is in compliance in all material

respects with its obligations to the Borrower hereunder and (ii) each Lender designating any SPC hereby agrees to indemnify, save and hold harmless each other party hereto for any loss, cost, damage or expense arising out of its inability to institute such a proceeding against such SPC during such period of forbearance. In addition, notwithstanding anything to the contrary contained in this Section 9.05, any SPC may (i) with notice to, but without the prior written consent of, the Borrower or the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Loan to the Granting Lender and (ii) disclose on a confidential basis any non-public information relating to its Loans to any rating agency, commercial paper dealer or provider of any surety, guaranty or credit or liquidity enhancement to such SPC.

(f) (i) If any assignment or participation under this Section 9.05 is made (1) to any Affiliate of any Disqualified Institution (other than any Bona Fide Debt Fund that is not itself a Disqualified Institution) or (2) to the extent the Borrower's consent is required under this Section 9.05 (and not deemed to have been given pursuant to Section 9.05(b)(i)(A)), to any other Person, in each case of clauses (1) and (2) without the Borrower's prior written consent (any such person, a "Disqualified Person"), then the Borrower may, at its sole expense and effort, upon notice to the applicable Disqualified Person and the Administrative Agent, (A) terminate any Commitment of such Disqualified Person and repay all obligations of the Borrower owing to such Disqualified Person, (B) in the case of any outstanding Term Loans held by such Disqualified Person, purchase such Term Loans by paying the lesser of (x) par and (y) the amount that such Disqualified Person paid to acquire such Term Loans, plus accrued interest thereon, accrued fees and all other amounts payable to it hereunder and/or (C) require such Disqualified Person to assign, without recourse (in accordance with and subject to the restrictions contained in this Section 9.05), all of its interests, rights and obligations under this Agreement to one or more Eligible Assignees and if such person does not execute and deliver to the Administrative Agent a duly executed Assignment Agreement reflecting such assignment within five Business Days of the date on which the Eligible Assignee executes and delivers such Assignment Agreement to such person, then such person shall be deemed to have executed and delivered such Assignment Agreement without any action on its part; provided that (I) in the case of clauses (A) and (B), the Borrower shall not be liable to the relevant Disqualified Person under Section 2.16 if any LIBO Rate Loan owing to such Disqualified Person is repaid or purchased other than on the last day of the Interest Period relating thereto, (II) in the case of clause (C), the relevant assignment shall otherwise comply with this Section 9.05 (except that (x) no registration and processing fee required under this Section 9.05 shall be required with any assignment pursuant to this paragraph and (y) any Term Loan acquired by any Affiliated Lender pursuant to this paragraph will not be included in calculating compliance with the Affiliated Lender Cap for a period of 90 days following such transfer; provided that, to the extent the aggregate principal amount of Term Loans held by Affiliated Lenders exceeds the Affiliated Lender Cap on the 91st day following such transfer, then such excess amount shall either be (x) contributed to Parent or any of its subsidiaries and retired and cancelled immediately upon such contribution or (y) automatically cancelled)) and (III) in no event shall such Disqualified Person be entitled to receive amounts set forth in Section 2.13(d). Further, any Disqualified Person identified by the Borrower to the Administrative Agent (A) shall not be permitted to (x) receive information or reporting provided by any Loan Party, the Administrative Agent or any Lender and/or (y) attend and/or participate in conference calls or meetings attended solely by the Lenders and the Administrative Agent, (B) (x) shall not for purposes of determining whether the Required Lenders or the majority Lenders under any Class have (i) consented (or not consented) to any amendment, modification, waiver, consent or other action with respect to any of the terms of any Loan Document or any departure by any Loan Party therefrom, (ii) otherwise acted on any matter related to any Loan Document or (iii) directed or required the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, have a right to consent (or not consent), otherwise act or direct or require the Administrative Agent or any Lender to take (or refrain from taking) any such action; it being understood that all Loans held by any Disqualified Person shall be deemed to be not outstanding for all purposes of calculating whether the Required Lenders, majority

Lenders under any Class or all Lenders have taken any action and (y) shall be deemed to vote in the same proportion as Lenders that are not Disqualified Persons in any proceeding under any Debtor Relief Law commenced by or against the Borrower or any other Loan Party and (C) shall not be entitled to receive the benefits of Section 9.03. For the sake of clarity, the provisions in this Section 9.05(f) shall not apply to any Person that is an assignee of any Disqualified Person, if such assignee is not a Disqualified Person;

(ii) Upon the request of any Lender, the Administrative Agent may and Parent will make the list of Disqualified Institutions (other than any Disqualified Institution that is a reasonably identifiable Affiliate of another Disqualified Institution on the basis of such Person's name) at the relevant time and such Lender may provide the list to any potential assignee for the purpose of verifying whether such Person is a Disqualified Institution, in each case so long as such Lender and such potential assignee agree to keep the list of Disqualified Institutions confidential in accordance with the terms hereof; and

(iii) Notwithstanding anything herein to the contrary, the Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions.

(g) Notwithstanding anything to the contrary contained herein, any Lender may, at any time, assign all or a portion of its rights and obligations under this Agreement in respect of its Term Loans to an Affiliated Lender on a non-pro rata basis (A) through Dutch Auctions, or similar transactions pursuant to procedures to be established by the applicable "auction agent" that are consistent with this Section 9.05(g), in each case open to all Lenders holding the relevant Term Loans on a pro rata basis or (B) through open market purchases (which purchases may be effected at any price as agreed between such Lender and such Affiliated Lender in their respective sole discretion), in each case with respect to clauses (A) and (B), without the consent of the Administrative Agent; provided that:

(i) any Term Loans acquired by Parent or any Restricted Subsidiary shall, to the extent permitted by applicable Requirements of Law, be retired and cancelled immediately upon the acquisition thereof; provided that upon any such retirement and cancellation, the aggregate outstanding principal amount of the Term Loans shall be deemed reduced by the full par value of the aggregate principal amount of the Term Loans so retired and cancelled, with no reduction to the scheduled installments of principal due in respect of the Initial Term Loans prior to the Initial Term Loan Maturity Date,

(ii) any Term Loans acquired by any Affiliated Lender may (but shall not be required to) be contributed to Parent or any of its subsidiaries and, in exchange therefor, such Affiliated Lender may receive debt or equity securities of such entity or a direct or indirect parent entity or subsidiary thereof that are otherwise permitted to be issued by such entity at such time, it being understood that (x) any such Term Loans that are contributed to Parent or any of its Restricted Subsidiaries shall, to the extent permitted by applicable Requirements of Law, be retired and cancelled immediately upon such contribution and (y) any such contribution shall be treated as a capital contribution that builds the Available Amount pursuant to clause (iii) of the definition thereof by an amount equal to the fair market value (as determined by Parent in good faith) of the Term Loans so contributed; provided that if the fair market value of such Term Loans cannot be determined by Parent, the fair market value shall be deemed to be the purchase price of such Term Loans paid by such Affiliated Lender); provided that upon any such cancellation, the aggregate outstanding principal amount of the Term Loans shall be deemed reduced, as of the date of such contribution, by the full par value of the aggregate principal amount of the Term Loans so contributed and cancelled, and each principal repayment installment with respect to the Initial Term Loans pursuant to Section 2.10(a) shall be reduced pro

rata by the full par value of the aggregate principal amount of Initial Term Loans so contributed and cancelled;

(iii) the relevant Affiliated Lender and assigning Lender shall have executed an Affiliated Lender Assignment and Assumption;

(iv) after giving effect to such assignment and to all other assignments to all Affiliated Lenders, the aggregate principal amount of all Term Loans then held by all Affiliated Lenders shall not exceed 25% of the aggregate principal amount of the Term Loans then outstanding (after giving effect to any substantially simultaneous cancellations thereof) (the "**Affiliated Lender Cap**"); provided that each party hereto acknowledges and agrees that the Administrative Agent shall not be liable for any losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses and disbursements of any kind or nature whatsoever incurred or suffered by any Person in connection with any compliance or non-compliance with this clause (g)(iv) or any purported assignment exceeding the Affiliated Lender Cap (it being understood and agreed that the Affiliated Lender Cap is intended to apply to any Loans made available to Affiliated Lenders by means other than formal assignment (e.g., as a result of an acquisition of another Lender (other than any Debt Fund Affiliate) by any Affiliated Lender or the provision of Additional Term Loans by any Affiliated Lender); provided, further, that to the extent that any assignment to any Affiliated Lender would result in the aggregate principal amount of all Term Loans held by Affiliated Lenders exceeding the Affiliated Lender Cap (after giving effect to any substantially simultaneous cancellations thereof), the assignment of the relevant excess amount shall be null and void;

(v) in connection with any assignment effected pursuant to a Dutch Auction and/or open market purchase conducted by Parent or any of its Subsidiaries, (A) the relevant Person may not use the proceeds of any Revolving Loans to fund such assignment and (B) no Event of Default exists at the time of acceptance of bids for the Dutch Auction or the confirmation of such open market purchase, as applicable;

(vi) by its acquisition of Term Loans, each relevant Affiliated Lender shall be deemed to have acknowledged and agreed that:

(A) the Term Loans held by such Affiliated Lender shall be disregarded in both the numerator and denominator in the calculation of any Required Lender or other Lender vote (and the Term Loans held by such Affiliated Lender shall be deemed to be voted *pro rata* along with the other Lenders that are not Affiliated Lenders); provided that (x) such Affiliated Lender shall have the right to vote (and the Term Loans held by such Affiliated Lender shall not be so disregarded) with respect to any amendment, modification, waiver, consent or other action that requires the vote of all Lenders or all Lenders directly and adversely affected thereby, as the case may be and (y) no amendment, modification, waiver, consent or other action shall (1) disproportionately affect such Affiliated Lender in its capacity as a Lender as compared to other Lenders of the same Class that are not Affiliated Lenders or (2) deprive any Affiliated Lender of its share of any payments which the Lenders are entitled to share on a *pro rata* basis hereunder, in each case without the consent of such Affiliated Lender; and

(B) such Affiliated Lender, solely in its capacity as an Affiliated Lender, will not be entitled to (i) attend (including by telephone) or participate in any meeting or discussion (or portion thereof) among the Administrative Agent or any Lender or among Lenders to which the Loan Parties or their representatives are not invited or (ii)

receive any information or material prepared by the Administrative Agent or any Lender or any communication by or among the Administrative Agent and one or more Lenders, except to the extent such information or materials have been made available by the Administrative Agent or any Lender to any Loan Party or its representatives (and in any case, other than the right to receive notices of Borrowings, prepayments and other administrative notices in respect of its Term Loans required to be delivered to Lenders pursuant to Article 2); and

(vii) neither Parent nor any Affiliated Lender shall be required to represent or warrant that it is not in possession of material non-public information with respect to Parent and/or any subsidiary thereof and/or their respective securities in connection with any assignment permitted by this Section 9.05(g).

Notwithstanding anything to the contrary contained herein, any Lender may, at any time, assign all or a portion of its rights and obligations under this Agreement in respect of its Loans and/or Commitments to any Debt Fund Affiliate, and any Debt Fund Affiliate may, from time to time, purchase Loans and/or Commitments (x) on a non-pro rata basis through Dutch Auctions or similar transactions open to all applicable Lenders or (y) on a non-pro rata basis through open market purchases (which purchases may be effected at any price as agreed between such Lender and such Debt Fund Affiliate in their respective sole discretion), in each case without the consent of the Administrative Agent and notwithstanding the requirements set forth in subclauses (i) through (vii) of this clause (g); provided that the Loans and unused Commitments of all Debt Fund Affiliates shall not account for more than 49.9% of the amounts included in determining whether the Required Lenders or Required Revolving Lenders have (A) consented to any amendment, modification, waiver, consent or other action with respect to any of the terms of any Loan Document or any departure by any Loan Party therefrom or (B) directed or required the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to any Loan Document; it being understood and agreed that the portion of the Loans and/or Commitments that accounts for more than 49.9% of the relevant Required Lender or Required Revolving Lender action shall be deemed to be voted pro rata along with other Lenders that are not Debt Fund Affiliates. Any Term Loans acquired by any Debt Fund Affiliate may (but shall not be required to) be contributed to Parent or any of its subsidiaries or parent entities and, in exchange therefor, such Debt Fund Affiliate may receive debt or equity securities of such entity or a direct or indirect parent entity or subsidiary thereof that are otherwise permitted to be issued by such entity at such time (it being understood that if any Terms Loans are so contributed to Parent or any Restricted Subsidiary, the provisions of Section 9.05(g)(ii) shall apply to such contributed Term Loans *mutatis mutandis*).

Notwithstanding anything to the contrary herein, at the election of Parent, Revolving Loans and Revolving Credit Commitments held by a Defaulting Lender may be assigned to an Affiliated Lender without the need for the consent of any other Person, with the price of such assignment being the lower of (i) par plus accrued and unpaid interest and commitment fees thereon and (ii) such lower amount as agreed by the applicable Defaulting Lender and such Affiliated Lender; provided that Revolving Lenders that are not Defaulting Lenders shall have the right to repurchase such assigned Revolving Loans and Revolving Credit Commitments from such Affiliated Lender, with the price of such assignment being the lower of (i) par plus accrued and unpaid interest and commitment fees thereon and (ii) such lower amount as agreed by such Revolving Lender and such Affiliated Lender; provided further that the provisions of Section 9.05(g)(vi) above shall apply with respect to such Revolving Loans or Revolving Credit Commitments acquired and held by an Affiliated Lender, other than an Affiliated Lender that is a Debt Fund Affiliate, in which case only the limitation set forth in the immediately preceding paragraph shall apply.

Section 9.06. Survival. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loan and issuance of any Letter of Credit regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent may have had notice or knowledge of any Default or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect until the Termination Date. The provisions of Sections 2.15, 2.16, 2.17, 9.03 and 9.13 and Article 8 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit or any Commitment, the occurrence of the Termination Date or the termination of this Agreement or any provision hereof but in each case, subject to the limitations set forth in this Agreement.

Section 9.07. Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and the Fee Letter constitute the entire agreement 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. This Agreement shall become effective when it has been executed by Parent and the Administrative Agent and when the Administrative Agent has received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by email as a ".pdf" or ".tif" attachment shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 9.08. Severability. To the extent permitted by applicable Requirements of Law, any provision of any Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 9.09. Right of Setoff. At any time when an Event of Default exists and the Administrative Agent has commenced an exercise of secured creditor remedies pursuant to Section 7.01 or otherwise with the consent of the Administrative Agent, upon the written consent of the Administrative Agent, each Lender and each Issuing Bank, is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Requirements of Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations (in any currency) at any time owing by the Administrative Agent, such Issuing Bank or such Lender to or for the credit or the account of the Borrower or any other Loan Party against any of and all the Secured Obligations then due and owing held by the Administrative Agent, such Issuing Bank or such Lender, irrespective of whether or not the Administrative Agent, such Issuing Bank or such Lender shall have made any demand under the Loan Documents and although such obligations may be owing to a branch or office of such Lender or Issuing Bank different than the branch or office holding such deposit or obligation on such Indebtedness. Any applicable Lender or Issuing Bank shall promptly notify Parent and the Administrative Agent of such set-off or application; provided that any failure to give or any delay in giving such notice shall not affect the validity of any such set-off or application under this Section. The rights of each Lender, each Issuing Bank and the Administrative Agent under this Section are in addition

to other rights and remedies (including other rights of setoff) which such Lender, such Issuing Bank or the Administrative Agent may have.

Section 9.10. Governing Law; Jurisdiction; Consent to Service of Process.

(a) THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (OTHER THAN AS EXPRESSLY SET FORTH IN ANY OTHER LOAN DOCUMENT) AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (OTHER THAN AS EXPRESSLY SET FORTH IN ANY OTHER LOAN DOCUMENT), WHETHER IN TORT, CONTRACT (AT LAW OR IN EQUITY) OR OTHERWISE, SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

(b) EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF ANY U.S. FEDERAL OR NEW YORK STATE COURT SITTING IN THE BOROUGH OF MANHATTAN, IN THE CITY OF NEW YORK (OR ANY APPELLATE COURT THEREFROM) OVER ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING SHALL (EXCEPT AS PERMITTED BELOW) BE HEARD AND DETERMINED IN SUCH NEW YORK STATE OR, TO THE EXTENT PERMITTED BY APPLICABLE REQUIREMENTS OF LAW, FEDERAL COURT. EACH PARTY HERETO AGREES THAT SERVICE OF ANY PROCESS, SUMMONS, NOTICE OR DOCUMENT BY REGISTERED MAIL ADDRESSED TO SUCH PERSON SHALL BE EFFECTIVE SERVICE OF PROCESS AGAINST SUCH PERSON FOR ANY SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT. EACH PARTY HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY APPLICABLE REQUIREMENTS OF LAW. EACH PARTY HERETO AGREES THAT THE ADMINISTRATIVE AGENT RETAINS THE RIGHT TO BRING PROCEEDINGS AGAINST ANY LOAN PARTY IN THE COURTS OF ANY OTHER JURISDICTION SOLELY IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY COLLATERAL DOCUMENT.

(c) EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT IT MAY LEGALLY AND EFFECTIVELY DO SO, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE REQUIREMENTS OF LAW, ANY CLAIM OR DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION, SUIT OR PROCEEDING IN ANY SUCH COURT.

(d) TO THE EXTENT PERMITTED BY APPLICABLE REQUIREMENTS OF LAW, EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL) DIRECTED TO IT AT ITS ADDRESS FOR NOTICES AS PROVIDED FOR IN SECTION 9.01. EACH PARTY HERETO HEREBY WAIVES ANY OBJECTION TO SUCH SERVICE OF PROCESS AND FURTHER IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY ACTION OR PROCEEDING COMMENCED HEREUNDER OR

UNDER ANY LOAN DOCUMENT THAT SERVICE OF PROCESS WAS INVALID AND INEFFECTIVE. 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 REQUIREMENTS OF LAW.

Section 9.11. Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE REQUIREMENTS OF LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY SUIT, ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY) DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY HERETO (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HERETO 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 9.12. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 9.13. Confidentiality. Each of the Administrative Agent, each Lender, each Issuing Bank and each Arranger agrees (and each Lender agrees to cause its SPC, if any) to maintain the confidentiality of the Confidential Information (as defined below), except that Confidential Information may be disclosed (a) to its and its Affiliates' directors, officers, managers, employees, independent auditors, or other experts and advisors, including accountants, legal counsel and other advisors (collectively, the "**Representatives**") on a confidential "need to know" basis solely in connection with the transactions contemplated hereby and who are informed of the confidential nature of the Confidential Information and are or have been advised of their obligation to keep the Confidential Information of this type confidential; provided that such Person shall be responsible for its Affiliates' and their Representatives' compliance with this paragraph; provided, further, that unless Parent otherwise consents, no such disclosure shall be made by the Administrative Agent, any Issuing Bank, any Arranger, any Lender or any Affiliate or Representative thereof to any Affiliate or Representative of the Administrative Agent, any Issuing Bank, any Arranger, or any Lender that is a Disqualified Institution, (b) upon the demand or request of any regulatory or governmental authority having jurisdiction over such Person or its Affiliates (in which case such Person shall, except with respect to any audit or examination conducted by bank accountants or any Governmental Authority or regulatory authority exercising examination or regulatory authority, to the extent permitted by applicable Requirements of Law, (i) inform Parent promptly in advance thereof and (ii) ensure that any information so disclosed is accorded confidential treatment), (c) to the extent compelled by legal process in, or reasonably necessary to, the defense of such legal, judicial or administrative proceeding, in any legal, judicial or administrative proceeding or otherwise as required by applicable Requirements of Law (in which case such Person shall (i) to the extent permitted by law, inform Parent promptly in advance thereof, (ii) ensure that any such information so disclosed is accorded confidential treatment and (iii) allow Parent a reasonable opportunity to object to such disclosure in such proceeding), (d) to any other party to this Agreement, (e) subject to an acknowledgment and agreement by the relevant recipient that the Confidential Information is being disseminated on a confidential basis (on substantially the terms set forth in this paragraph or as otherwise reasonably acceptable to Parent and the Administrative Agent, including as set forth in the Lender Presentation) in accordance with the standard syndication process of the Arrangers or market standards for dissemination of the relevant type of information, which shall in any event require "click through" or

other affirmative action on the part of the recipient to access the Confidential Information and acknowledge its confidentiality obligations in respect thereof, to (i) any Eligible Assignee of or Participant in, or any prospective Eligible Assignee of or prospective Participant in, any of its rights or obligations under this Agreement, including any SPC (in each case other than a Disqualified Institution), (ii) any pledgee referred to in Section 9.05, (iii) any actual or prospective direct or indirect contractual counterparty (or its advisors, but not any Disqualified Institution) to any Derivative Transaction (including any credit default swap) or similar derivative product under which payments are to be made by reference to Parent and its Obligations and (iv) subject to Parent's prior approval of the information to be disclosed (not to be unreasonably withheld or delayed), to (A) Moody's or S&P on a confidential basis in connection with obtaining or maintaining ratings as required under Section 5.13 and (B) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the credit facilities provided for herein, (f) with the prior written consent of Parent and (g) to the extent the Confidential Information becomes publicly available other than as a result of a breach of this Section by such Person, its Affiliates or their respective Representatives. For purposes of this Section, "**Confidential Information**" means all information relating to Parent and/or any of its Subsidiaries and their respective businesses or the Transactions (including any information obtained by the Administrative Agent, any Issuing Bank, any Lender or any Arranger, or any of their respective Affiliates or Representatives, based on a review of any books and records relating to Parent and/or any of its subsidiaries and their respective Affiliates from time to time, including prior to the date hereof) other than any such information that is publicly available to the Administrative Agent or any Arranger, Issuing Bank, or Lender on a non-confidential basis prior to disclosure by Parent or any of its subsidiaries. For the avoidance of doubt, in no event shall any disclosure of any Confidential Information be made to Person that is a Disqualified Institution at the time of disclosure.

Section 9.14. No Fiduciary Duty. Each of the Administrative Agent, the Arrangers, each Lender, each Issuing Bank and their respective Affiliates (collectively, solely for purposes of this paragraph, the "**Lenders**"), may have economic interests that conflict with those of the Loan Parties, their stockholders and/or their respective affiliates. Each Loan Party agrees that nothing in the Loan Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and such Loan Party, its respective stockholders or its respective affiliates, on the other. Each Loan Party acknowledges and agrees that: (i) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Loan Parties, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender, in its capacity as such, has assumed an advisory or fiduciary responsibility in favor of any Loan Party, its respective stockholders or its respective affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise any Loan Party, its respective stockholders or its respective Affiliates on other matters) or any other obligation to any Loan Party except the obligations expressly set forth in the Loan Documents and (y) each Lender, in its capacity as such, is acting solely as principal and not as the agent or fiduciary of such Loan Party, its respective management, stockholders, creditors or any other Person. Each Loan Party acknowledges and agrees that such Loan Party has consulted its own legal, tax and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto.

Section 9.15. Several Obligations. The respective obligations of the Lenders hereunder are several and not joint and the failure of any Lender to make any Loan, issue any Letter of Credit or perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder.

Section 9.16. USA PATRIOT Act. Each Lender that is subject to the requirements of the USA PATRIOT Act hereby notifies the Loan Parties that, pursuant to the requirements of the USA PATRIOT Act and the "Beneficial Ownership Regulations" (31 CFR §1010.230), it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of such Loan Party and other information that will allow such Lender to identify such Loan Party in accordance with the USA PATRIOT Act.

Section 9.17. Disclosure. Each Loan Party, each Issuing Bank and each Lender hereby acknowledges and agrees that the Administrative Agent and/or its Affiliates from time to time may hold investments in, make other loans to or have other relationships with any of the Loan Parties and their respective Affiliates.

Section 9.18. Appointment for Perfection. Each Lender hereby appoints each other Lender and each Issuing Bank as its agent for the purpose of perfecting Liens for the benefit of the Administrative Agent, the Issuing Banks and the Lenders, in assets which, in accordance with Article 9 of the UCC or any other applicable Requirements of Law can be perfected only by possession. If any Lender or Issuing Bank (other than the Administrative Agent) obtains possession of any Collateral, such Lender or such Issuing Bank shall notify the Administrative Agent thereof and, promptly upon the Administrative Agent's request therefor, shall deliver such Collateral to the Administrative Agent or otherwise deal with such Collateral in accordance with the Administrative Agent's instructions.

Section 9.19. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan or Letter of Credit, together with all fees, charges and other amounts which are treated as interest on such Loan or Letter of Credit under applicable law (collectively, the "**Applicable Charges**"), shall exceed the maximum lawful rate (the "**Maximum Rate**") which may be contracted for, charged, taken, received or reserved by the Lender or Issuing Bank holding such Loan or Letter of Credit in accordance with applicable Requirements of Law, the rate of interest payable in respect of such Loan or Letter of Credit hereunder, together with all Applicable Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Applicable Charges that would have been payable in respect of such Loan or Letter of Credit but were not payable as a result of the operation of this Section shall be cumulated and the interest and Applicable Charges payable to such Lender or Issuing Bank in respect of other Loans or Letters of Credit or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender or Issuing Bank.

Section 9.20. [Reserved].

Section 9.21. Conflicts. Notwithstanding anything to the contrary contained herein or in any other Loan Document (but excluding any Acceptable Intercreditor Agreement), in the event of any conflict or inconsistency between this Agreement and any other Loan Document, the terms of this Agreement shall govern and control; provided that in the case of any conflict or inconsistency between any Acceptable Intercreditor Agreement, on the one hand, and any other Loan Document, on the other hand, the terms of the applicable Acceptable Intercreditor Agreement shall govern and control.

Section 9.22. Release of Guarantors and Discretionary Borrowers. Notwithstanding anything in Section 9.02(b) to the contrary, (a) any Subsidiary Guarantor or Discretionary Borrower shall automatically be released from its obligations hereunder (and any Loan Guaranty shall be automatically released) (i) upon the consummation of any permitted transaction or series of related transactions or the occurrence of any other permitted event or circumstance if as a result thereof such Subsidiary Guarantor ceases to be a Restricted Subsidiary or Discretionary Borrower (included by merger or dissolution) or

becomes an Excluded Subsidiary as a result of a single transaction or series of related transactions or other event or circumstance permitted hereunder; or (ii) upon the occurrence of the Termination Date and/or (b) any Subsidiary Guarantor or Discretionary Borrower that qualifies as an "Excluded Subsidiary" shall be released from its obligations hereunder (and its Loan Guaranty shall be automatically released) by the Administrative Agent promptly following the request therefor by Parent and/or (c) any asset(s) of the Loan Parties shall automatically be released from the Liens created under the Loan Documents upon the consummation of any permitted transaction or series of related transactions or the occurrence of any other permitted event or circumstance if as a result thereof such asset(s) cease to be owned by a Loan Party or such asset(s) becomes Excluded Assets as a result of a single transaction or series of related transactions or other event or circumstance permitted hereunder. In connection with any such release, the Administrative Agent shall promptly execute and deliver to the relevant Loan Party, at such Loan Party's expense, all documents that such Loan Party shall reasonably request to evidence termination or release. Any execution and delivery of any document pursuant to the preceding sentence of this Section 9.22 shall be without recourse to or warranty by the Administrative Agent (other than as to the Administrative Agent's authority to execute and deliver such documents).

Section 9.23. Acknowledgment and Consent to Bail-In of EEA 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 acknowledges that any liability of any EEA 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 an EEA Resolution Authority and each party hereto agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA 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 EEA 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 any EEA Resolution Authority.

Section 9.24. Acknowledgment Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Secured Hedging Obligations 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.

[Signature Pages Follow]

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

REYNOLDS CONSUMER PRODUCTS INC., as Parent

By: _____
Name:
Title:

REYNOLDS CONSUMER PRODUCTS LLC, as the Borrower

By: _____
Name:
Title:

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as Administrative Agent and as a Lender

By: _____
Name:
Title:

By: _____
Name:
Title:

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Registration Statement on Form S-1 of Reynolds Consumer Products Inc. of our report dated August 28, 2019, except for the effects of the segment change described in Note 13, as to which the date is October 25, 2019, relating to the financial statements of Reynolds Consumer Group, which appears in this Registration Statement. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ PricewaterhouseCoopers LLP
Chicago, Illinois
January 21, 2020