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

FORM 8-K

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

Date of Report (Date of earliest event reported): **September 30, 2010**

GRIFFON CORPORATION
(Exact Name of Registrant as Specified in Charter)

Delaware	**1-06620**	**11-1893410**
(State or Other Jurisdiction of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

712 Fifth Avenue, 18th Floor **New York, New York** (Address of Principal Executive Offices)	**10019** (Zip Code)

(212) 957-5000
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Introductory Note

On September 30, 2010, Clopay Acquisition Corp. (" Clopay Acquisition"), a Delaware corporation and an indirect wholly-owned subsidiary of Griffon Corporation (the "Company"), completed its previously announced acquisition (the " Acquisition") of Ames True Temper, Inc. and certain affiliated companies (collectively, "Ames") from an affiliate of Castle Harlan, Inc., pursuant to a Stock Purchase Agreement (the " Purchase Agreement"), dated as of July 19, 2010. The consideration for the Acquisition was $542 million in cash, on a cash and debt-free basis, subject to certain adjustments. The terms of the Purchase Agreement were previously described in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on July 23, 2010 (the "Original 8-K") and such description of the Purchase Agreement is incorporated herein by reference. Such description of the Purchase Agreement is qualified in its entirety by reference to the full text of the Purchase Agreement, which is attached as Exhibit 2.1 to the Original 8-K.

Item 1.01. Entry into a Material Definitive Agreement

Term Loan Credit Agreement

On September 30, 2010, Clopay Ames True Temper Holding Corp., a Delaware corporation and an indirect wholly-owned subsidiary of the Company (the "Borrower"), entered into a Credit and Guarantee Agreement, dated as of September 30, 2010, by and among the Borrower, Clopay Ames True Temper LLC, a Delaware limited liability company ("Clopay LLC"), certain subsidiaries of the Borrower party thereto, the lenders party thereto, and Goldman Sachs Lending Partners LLC and Deutsche Bank Securities Inc., as lead arrangers, lead bookrunners and syndication agents (the " Term Loan Credit Agreement").

The Term Loan Credit Agreement provides for a term loan facility in an aggregate principal amount equal to $375 million, all of which was borrowed on September 30, 2010. Borrowings under the Term Loan Credit Agreement, once repaid, may not be re-borrowed. The Term Loan Credit Agreement matures on September 30, 2016.

The Borrower has the option to select interest rates in respect of the loans under the Term Loan Credit Agreement based upon either the Base Rate or the Adjusted Eurodollar Rate (each as defined in the Term Loan Credit Agreement). Interest on outstanding loans accrues at a rate of 6.00% per annum above the Adjusted Eurodollar Rate, subject to a Eurodollar floor of 1.75%, or 5.00% per annum above the Base Rate.

Borrowings under the Term Loan Credit Agreement are guaranteed by Clopay LLC and certain material domestic subsidiaries of the Borrower (collectively, the "Term Loan Guarantors"). All obligations under the Term Loan Credit Agreement are secured by a first-priority security interest in substantially all of the Borrower's assets and substantially all of the assets of the Term Loan Guarantors other than inventory, accounts receivable and cash of the Borrower and the Term Loan Guarantors, which collateralizes borrowings under the ABL Credit Agreement (as defined below) on a first-priority basis and borrowings under the Term Loan Credit Agreement on a second-priority basis.

The Term Loan Credit Agreement contains customary affirmative and negative covenants, including without limitation, restrictions on the following: indebtedness, liens, investments, asset dispositions, certain restricted payments, payment in respect of certain indebtedness, fundamental changes and certain acquisitions, changes in the nature of the business conducted, affiliate transactions, limitations on subsidiary distributions, modifications of constituent documents and debt agreements, capital expenditures, equity issuances and sale/leasebacks.

Under the Term Loan Credit Agreement, the Borrower is required to maintain a certain minimum interest coverage ratio, defined as the ratio of EBIDTA to interest expense, which increases over time. The Borrower is also required to keep its leverage ratio below a certain level, defined as the ratio of total debt to EBIDTA, which level decreases over time.

The Term Loan Credit Agreement also contains customary events of default, including without limitation, failure to make certain payments when due, materially incorrect representations and warranties, breach of covenants, events of bankruptcy, default on other indebtedness, changes in control with respect to the Company and certain of its subsidiaries, and the failure of any of the loan documents to remain in full force and effect.

A copy of the Term Loan Credit Agreement is attached hereto as Exhibit 10.1 and incorporated herein by reference.

ABL Credit Agreement

In addition to the Term Loan Credit Agreement, on September 30, 2010, the Borrower entered into an Amended and Restated Credit Agreement, dated as of September 30, 2010, by and among the Borrower, Clopay LLC, certain subsidiaries of the Borrower party thereto, the lenders party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and J.P. Morgan Securities LLC and Deutsche Bank Securities Inc., as joint lead arrangers, joint bookrunners and co-syndication agents (the "ABL Credit Agreement"). The ABL Credit Agreement amends and restates the terms of the Credit Agreement, dated as of June 24, 2008, by and among Clopay Building Products Company, Inc., Clopay Plastic Products Company, Inc., certain subsidiaries of the Company party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent.

The ABL Credit Agreement provides for a revolving credit facility in an aggregate principal amount equal to $125 million (subject to customary borrowing base limitations) which includes a swingline facility with a sublimit of $12.5 million and a letter of credit facility with a sublimit of $25 million. Borrowings under the ABL Credit Agreement mature on September 30, 2015. Loans under the ABL Credit Agreement may be repaid and reborrowed from time to time.

The Borrower has the option to select interest rates in respect of the loans under the ABL Credit Agreement based upon either the Alternative Base Rate or the Adjusted LIBO Rate (each as defined in the ABL Credit Agreement). Depending upon availability under the ABL Credit Agreement, interest on borrowings accrues at rates ranging from 1.25% to 1.75% per annum above the Alternative Base Rate or 2.25% to 2.75% per annum above the Adjusted LIBO Rate.

Borrowings under the ABL Credit Agreement are guaranteed by Clopay LLC and certain material domestic subsidiaries of the Borrower (collectively, the "ABL Guarantors") and are secured by a first-priority security interest on inventory, accounts receivable and cash of the Borrower and the ABL Guarantors, and a second-priority security interest on substantially all of the other assets of such entities.

The ABL Credit Agreement contains customary affirmative and negative covenants, including without limitation, restrictions on the following: indebtedness, liens, investments, asset dispositions, certain restricted payments, payment in respect of certain indebtedness, fundamental changes and certain acquisitions, changes in the nature of the business conducted, affiliate transactions, limitations on subsidiary distributions, modifications of constituent documents and debt agreements, equity issuances and sale/leasebacks.

The ABL Credit Agreement contains customary events of default, including without limitation, failure to make certain payments when due, materially incorrect representations and warranties, breach of

covenants, events of bankruptcy, default on other indebtedness, changes in control with respect to the Company and certain of its subsidiaries, and the failure of any of the loan documents to remain in full force and effect.

A copy of the ABL Credit Agreement is attached hereto as Exhibit 10.2 and incorporated herein by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets.

As described in the Introductory Note, on September 30, 2010, the Company completed the Acquisition. The Acquisition was completed pursuant to the Purchase Agreement for consideration of $542 million in cash, on a cash and debt-free basis, subject to certain adjustments. The Company funded the Acquisition through cash on hand and loans borrowed under the Term Loan Credit Agreement and ABL Credit Agreement.

The information in the Introductory Note is incorporated by reference into this Item 2.01. A copy of the press release announcing the closing of the transaction is attached hereto as Exhibit 99.1 and incorporated herein by reference.

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

As described in Item 1.01, on September 30, 2010, the Company entered into the Term Loan Credit Agreement, which provides for aggregate borrowings of $375 million, and the ABL Credit Agreement, which provides for aggregate borrowings of up to $125 million (subject to customary borrowing base limitations).

The information in Item 1.01 under the headings "Term Loan Credit Agreement" and "ABL Credit Agreement" are incorporated by reference into this Item 2.03.

Item 2.04. Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.

The information in Item 8.01 is incorporated by reference into this Item 2.04.

Item 8.01. Other Events.

Clopay Acquisition's previously-announced cash tender offers and consent solicitations (the " Tender Offers") for any and all of Ames' 10% Senior Subordinated Notes due 2012 (the "Subordinated Notes") and any and all of Ames' Senior Floating Rate Notes due 2012 (the " Floating Rate Notes" and, together with the Subordinated Notes, the "Notes"), expired at midnight, New York City time, on September 30, 2010. As of the expiration of the Tender Offers, approximately $40.6 million in aggregate principal amount (or approximately 27.1%) of the Subordinated Notes and approximately $141.0 million in aggregate principal amount (or approximately 94.0%) of the Floating Rate Notes were validly tendered. On September 30 and October 1, 2010, Clopay Acquisition accepted for purchase and paid for all of the Notes tendered.

On September 30, 2010, Ames called for redemption, in accordance with the terms of the indentures governing the Notes, any and all of the Notes that remain outstanding after the expiration of the Tender Offers. The redemption date for the remaining Notes is November 1, 2010 (the " Redemption Date") and the redemption price is 100% of the principal amount of the remaining Notes plus accrued and unpaid interest to the Redemption Date.

A copy of the press release announcing the expiration of the Tender Offers is attached hereto as Exhibit 99.2 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(a) *Financial States of Businesses Acquired*

The financial statements required by this Item 9.01(a) are incorporated by reference to: (i) Ames True Temper's Annual Report on Form 10-K for the fiscal year ended September 30, 2009, filed with the SEC on December 15, 2009, and (ii) Ames True Temper's Quarterly Reports on Form 10-Q for the quarters ended January 2, 2010, April 3, 2010 and July 3, 2010, filed with the SEC on February 12, 2010, May 14, 2010 and August 5, 2010.

(b) *Pro Forma Financial Information*

The pro-forma financial information required by this Item 9.01(b) will be filed by amendment to this current report on Form 8-K not later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(d) *Exhibits*

Exhibit Number	Exhibit Title
10.1	Credit and Guarantee Agreement, dated as of September 30, 2010, by and among Clopay Ames True Temper Holding Corp., Clopay Ames True Temper LLC, certain subsidiaries of Clopay Ames True Temper Holding Corp. party thereto, the Lenders party thereto, Goldman Sachs Lending Partners LLC, as Administrative Agent, Collateral Agent, Lead Arranger, Lead Bookrunner and Syndication Agent and Deutsche Bank Securities Inc., as Lead Arranger, Lead Bookrunner and Syndication Agent
10.2	Amended and Restated Credit Agreement, dated as of September 30, 2010, by and among Clopay Ames True Temper Holding Corp., Clopay Ames True Temper LLC, certain subsidiaries of Clopay Ames True Temper Holding Corp. party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, J.P. Morgan Securities LLC, as Joint Lead Arranger, Joint Bookrunner and Co-Syndication Agent and Deutsche Bank Securities Inc., as Joint Lead Arranger, Joint Bookrunner and Co-Syndication Agent
10.3	Amended and Restated Pledge and Security Agreement, dated as of September 30, 2010, by and among Clopay Ames True Temper LLC, Clopay Ames True Temper Holding Corp., certain subsidiaries of Clopay Ames True Temper Holding Corp. party thereto and JPMorgan Chase Bank, N.A., in its capacity as administrative agent for the Secured Parties referred to therein
10.4	Pledge and Security Agreement, dated as of September 30, 2010, by and among Clopay Ames True Temper LLC, Clopay Ames True Temper Holding Corp., certain subsidiaries of Clopay Ames True Temper Holding Corp. party thereto, and Goldman Sachs Lending Partners LLC, in its capacity as Collateral Agent for the Secured Parties referred to therein
10.5	Intercreditor Agreement, dated as of September 30, 2010, among JPMorgan Chase Bank, N.A., as Administrative Agent for the ABL Secured Parties referred to therein, Goldman Sachs Lending Partners LLC, as Administrative Agent and Collateral Agent for the Term Loan Secured

	Parties referred to therein and each of the Loan Parties party hereto
99.1	Press Release dated September 30, 2010
99.2	Press Release dated October 1, 2010
99.3	Audited Financial Statements of Ames (incorporated by reference to Ames' Annual Report on Form 10-K for the fiscal year ended September 30, 2009, filed with the SEC on December 15, 2009)
99.4	Unaudited Financial Statements of Ames (incorporated by reference to Ames' Quarterly Reports on Form 10-Q for the quarters ended January 2, 2010, April 3, 2010 and July 3, 2010, filed with the SEC on February 12, 2010, May 14, 2010 and August 5, 2010)

SIGNATURE

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

Dated October 1, 2010

GRIFFON CORPORATION.

By: /s/ Seth L. Kaplan
Name: Seth L. Kaplan
Title: Senior Vice President

EXHIBIT INDEX

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10.2	Amended and Restated Credit Agreement, dated as of September 30, 2010, by and among Clopay Ames True Temper Holding Corp., Clopay Ames True Temper LLC, certain subsidiaries of Clopay Ames True Temper Holding Corp. party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, J.P. Morgan Securities LLC, as Joint Lead Arranger, Joint Bookrunner and Co-Syndication Agent and Deutsche Bank Securities Inc., as Joint Lead Arranger, Joint Bookrunner and Co-Syndication Agent
10.3	Amended and Restated Pledge and Security Agreement, dated as of September 30, 2010, by and among Clopay Ames True Temper LLC, Clopay Ames True Temper Holding Corp., certain subsidiaries of Clopay Ames True Temper Holding Corp. party thereto and JPMorgan Chase Bank, N.A., in its capacity as administrative agent for the Secured Parties referred to therein
10.4	Pledge and Security Agreement, dated as of September 30, 2010, by and among Clopay Ames True Temper LLC, Clopay Ames True Temper Holding Corp., certain subsidiaries of Clopay Ames True Temper Holding Corp. party thereto, and Goldman Sachs Lending Partners LLC, in its capacity as Collateral Agent for the Secured Parties referred to therein
10.5	Intercreditor Agreement, dated as of September 30, 2010, among JPMorgan Chase Bank, N.A., as Administrative Agent for the ABL Secured Parties referred to therein, Goldman Sachs Lending Partners LLC, as Administrative Agent and Collateral Agent for the Term Loan Secured Parties referred to therein and each of the Loan Parties party hereto
99.1	Press Release dated September 30, 2010
99.2	Press Release dated October 1, 2010
99.3	Audited Financial Statements of Ames (incorporated by reference to Ames' Annual Report on Form 10-K for the fiscal year ended September 30, 2009, filed with the SEC on December 15, 2009)
99.4	Unaudited Financial Statements of Ames (incorporated by reference to Ames' Quarterly Reports on Form 10-Q for the quarters ended January 2, 2010, April 3, 2010 and July 3, 2010, filed with the SEC on February 12, 2010, May 14, 2010 and August 5, 2010)

Ex-10.1

EXECUTION VERSION

CREDIT AND GUARANTEE AGREEMENT

dated as of September 30, 2010

among

CLOPAY AMES TRUE TEMPER HOLDING CORP.,
as Borrower,

CLOPAY AMES TRUE TEMPER LLC
and
CERTAIN SUBSIDIARIES OF CLOPAY AMES TRUE TEMPER HOLDING CORP.,
as Guarantors,

THE LENDERS PARTY HERETO,

and

GOLDMAN SACHS LENDING PARTNERS LLC,
as Administrative Agent and Collateral Agent,

GOLDMAN SACHS LENDING PARTNERS LLC
and
DEUTSCHE BANK SECURITIES INC.,
as Lead Arrangers, Lead Bookrunners and Syndication Agents,

$375,000,000 Senior Secured Term Loan Facility

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CREDIT AND GUARANTEE AGREEMENT

This **CREDIT AND GUARANTEE AGREEMENT** , dated as of September 30, 2010, is entered into by and among **CLOPAY AMES TRUE TEMPER HOLDING CORP.**, a Delaware corporation (**"Borrower"**); **CLOPAY AMES TRUE TEMPER LLC**, a Delaware limited liability company (**"Holdings"**), and **CERTAIN SUBSIDIARIES OF BORROWER**, as Guarantors; the **LENDERS** party hereto from time to time; and **GOLDMAN SACHS LENDING PARTNERS LLC** (**"GSLP"**), as Administrative Agent and as Collateral Agent.

RECITALS:

WHEREAS, capitalized terms used in these recitals shall have the meanings set forth for such terms in Section 1.1;

WHEREAS, Acquisition Sub entered into the Purchase Agreement, pursuant to which Acquisition Sub has agreed to acquire the Acquired Business;

WHEREAS, Lenders have agreed to extend Term Loans to Borrower, in an aggregate principal amount of $375,000,000;

WHEREAS, Borrower has agreed to secure the Obligations by granting to Collateral Agent, for the benefit of Secured Parties, a First Priority Lien on all Term Collateral held by it and a Second Priority Lien on all ABL Collateral held by it; and

WHEREAS, each Guarantor has agreed to Guarantee the Obligations and to secure the Obligations by granting to Collateral Agent, for the benefit of Secured Parties, a First Priority Lien on all Term Collateral held by it and a Second Priority Lien on all ABL Collateral held by it.

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

SECTION 1. DEFINITIONS AND INTERPRETATION

1.1. Definitions. The following terms used herein, including in the preamble, recitals, exhibits and schedules hereto, shall have the following meanings:

"ABL Collateral" as defined in the Intercreditor Agreement.

"Acquired Business" means CHATT Holdings Inc., a Delaware corporation, and its Subsidiaries as of July 19, 2010, the date of the execution of the Purchase Agreement (including the Acquired Company).

"Acquired Company" means Ames True Temper, Inc., a Delaware corporation.

"Acquisition" means the purchase by Acquisition Sub of all outstanding Equity Interests of CHATT Holdings Inc., a Delaware corporation, in accordance with and pursuant to the terms of the Purchase Agreement.

"Acquisition Sub" means Clopay Acquisition Corp., a Delaware corporation that is a subsidiary of Borrower and is a Guarantor.

"Acquisition Consideration" means the purchase consideration for any Permitted Acquisition and all other payments by Holdings or any of its Subsidiaries in exchange for, or as part of, or in connection with, any Permitted Acquisition, whether paid in cash or by exchange of Equity Interests or of properties or otherwise and whether payable at or prior to the consummation of such Permitted Acquisition or deferred for payment at any future time, whether or not any such future payment is subject to the occurrence of any contingency, and includes any and all payments representing the purchase price and any assumptions of Indebtedness, "earn-outs" and other agreements to make any payment the amount of which is, or the terms of payment of which are, in any respect subject to or contingent upon the revenues, income, cash flow or profits (or the like) of any Person or business.

"Adjusted Eurodollar Rate" means, for any Interest Rate Determination Date with respect to an Interest Period for a Eurodollar Rate Term Loan, the rate per annum obtained by dividing (and rounding upwards, if necessary, to the next 1/100 of 1%) (i) (a) the rate per annum (rounded, if necessary, to the nearest 1/100 of 1%) equal to the rate determined by Administrative Agent to be the offered rate that appears on the page of the Reuters Screen that displays an average British Bankers Association Interest Settlement Rate (such page currently being LIBOR01 page) for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such period in Dollars, determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, or (b) in the event the rate referenced in the preceding clause (a) does not appear on such page or service or if the Reuters Screen shall cease to be available, the rate per annum (rounded, if necessary, to the nearest 1/100 of 1%) equal to the rate determined by Administrative Agent to be the offered rate on such other page or other service that displays an average British Bankers Association Interest Settlement Rate for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period in Dollars, determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, or (c) in the event the rates referenced in the preceding clauses (a) and (b) are not available, the rate per annum (rounded, if necessary, to the nearest 1/100 of 1%) equal to the offered quotation rate to first class banks in the London interbank market by Goldman Sachs Bank USA for deposits (for delivery on the first day of such Interest Period) in Dollars of amounts in same day funds comparable to the principal amount of the applicable Term Loan of Administrative Agent, in its capacity as a Lender, for which the Adjusted Eurodollar Rate is then being determined with maturities comparable to such Interest Period as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, by (ii) an amount equal to (a) one minus (b) the Applicable Reserve Requirement; provided, however, that notwithstanding the foregoing, the Adjusted Eurodollar Rate shall at no time be less than 1.75% per annum.

"Administrative Agent" means GSLP, in its capacity as administrative agent for the Lenders hereunder and under the other Credit Documents, and its successors in such capacity as provided in Section 9.

"Adverse Proceeding" means any action, suit, proceeding, hearing or investigation, in each case, whether administrative, judicial or otherwise, by or before any Governmental Authority or arbitrator, that is pending or, to the knowledge of Holdings or any of its Subsidiaries, threatened against or affecting Holdings or any of its Subsidiaries or any property of Holdings or any of its Subsidiaries.

"Affected Lender" as defined in Section 2.15(b).

"Affected Loans" as defined in Section 2.15(b).

"Affiliate" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power (i) to vote 10% or more of the Securities having ordinary voting power for the election of directors of such Person or (ii) to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise.

"Agent" means each of (a) Administrative Agent, (b) Collateral Agent, (c) each Syndication Agent and (d) any auction manager appointed in connection with a repurchase by Borrower of Term Loans pursuant to Section 2.10(c).

"Aggregate Amounts Due" as defined in Section 2.14.

"Aggregate Payments" as defined in Section 7.2.

"Agreement" means this Credit and Guarantee Agreement, dated as of September 30, 2010, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Alternative Currency**" means any currency other than Dollars that is freely available, freely transferable and freely convertible into Dollars and in which dealings in deposits are carried on in the London interbank market.

"Applicable Margin" means, for any day, (i) 5.00% per annum, in the case of a Base Rate Term Loan and (ii) 6.00% per annum, in the case of a Eurodollar Rate Term Loan.

"Applicable Reserve Requirement" means, at any time, for any Eurodollar Rate Term Loan, the maximum rate, expressed as a decimal, at which reserves (including any basic marginal, special, supplemental, emergency or other reserves) are required to be maintained with respect thereto against "Eurocurrency liabilities" (as such term is defined in Regulation D) under regulations issued from time to time by the Board of Governors or other applicable banking regulator. Without limiting the effect of the foregoing, the Applicable Reserve Requirement

shall reflect any other reserves required to be maintained by such member banks with respect to (i) any category of liabilities which includes deposits by reference to which the applicable Adjusted Eurodollar Rate or any other interest rate of a Term Loan is to be determined, or (ii) any category of extensions of credit or other assets which include Eurodollar Rate Term Loans. A Eurodollar Rate Term Loan shall be deemed to constitute Eurocurrency liabilities and as such shall be deemed subject to reserve requirements without benefit of credit for proration, exceptions or offsets that may be available from time to time to the applicable Lender. The rate of interest on Eurodollar Rate Term Loans shall be adjusted automatically on and as of the Closing Date of any change in the Applicable Reserve Requirement.

"**Approved Electronic Communications**" means any notice, demand, communication, information, document or other material that any Credit Party provides to Administrative Agent pursuant to any Credit Document or the transactions contemplated therein that is distributed to Agents or Lenders by means of electronic communications pursuant to Section 10.1(b).

"Arrangers" means GSLP and DBSI, in their capacities as joint lead arrangers for the term loan facility established hereunder.

"Asset Sale" means any sale, transfer, lease (other than operating leases entered into in the ordinary course of business) or other disposition of assets made in reliance on Section 6.4(e), other than any such disposition resulting in aggregate Net Asset Sale Proceeds not exceeding $2,000,000 in a single transaction or a series of related transactions and not exceeding $5,000,000 when aggregated with the Net Asset Sale Proceeds of other such dispositions during any Fiscal Year.

"Assignment Agreement" means an Assignment and Assumption Agreement substantially in the form of Exhibit D, with such amendments or modifications thereto as may be approved by Administrative Agent.

"Assignment Effective Date" as defined in Section 10.6(b).

"Authorized Officer" means, with respect to any Person, any individual holding the position of chairman of the board (if an officer), chief executive officer, president, vice president (or the equivalent thereof), chief financial officer or treasurer of such Person; provided that the secretary or assistant secretary of such Person shall have delivered an incumbency certificate to the Administrative Agent as to the authority of such Authorized Officer.

"Availability" has the meaning assigned to such term in the Revolving Credit Agreement.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as amended from time to time, or any successor statute.

"Base Rate" means, for any day, a rate per annum equal to the greatest of (i) the Prime Rate in effect on such day, (ii) the Federal Funds Effective Rate in effect on such day plus ½ of 1% and (iii) the sum of (a) the Adjusted Eurodollar Rate that would be applicable to a Eurodollar Rate Term Loan with an Interest Period of one month commencing on such day and

(b) the excess of the Applicable Margin with respect to Eurodollar Rate Term Loans over the Applicable Margin with respect to Base Rate Term Loans; provided that, notwithstanding the foregoing, the Base Rate shall at no time be less than 2.75% per annum. Any change in the Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted Eurodollar Rate shall be effective on the effective day of such change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted Eurodollar Rate, as the case may be.

"Base Rate Term Loan" means a Term Loan bearing interest at a rate determined by reference to the Base Rate.

"Board of Governors" means the Board of Governors of the United States Federal Reserve System, or any successor thereto.

"Borrower" as defined in the preamble hereto.

"Borrowing" means Term Loans of the same Type made, converted or continued on the same date and, in the case of Eurodollar Rate Term Loans, as to which a single Interest Period is in effect.

"Business Day" means any day other than a Saturday, Sunday or a day that is a legal holiday under the laws of the State of New York or on which banking institutions located in such State are authorized or required by law to remain closed; provided that, with respect to all notices, determinations, fundings and payments in connection with the Adjusted Eurodollar Rate or any Eurodollar Rate Term Loan, such day is also a day for trading by and between banks in Dollar deposits in the London interbank market.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in conformity with GAAP. For purposes of Section 6.1, a Capital Lease Obligation shall be deemed to be secured by a Lien on the property being leased and such property shall be deemed to be owned by the lessee.

"Cash" means money, currency or a credit balance in any demand or Deposit Account.

"Cash Equivalents" means, as at any date of determination, any of the following: (i) securities (a) issued or directly and unconditionally guaranteed as to interest and principal by the United States of America or (b) issued by any agency of the United States of America the obligations of which are backed by the full faith and credit of the United States of America, in each case maturing within one year after such date; (ii) direct obligations issued by any state of the United States of America or the District of Columbia or any political subdivision of any such State or District 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-1 from S&P or at least P-1 from Moody's; (iii) commercial paper maturing no more than 270 days (or 90 days, in the case of any investment in commercial paper held pursuant to Section 2.11(a), (b) or (c) in a Deposit Account constituting Term Collateral) from the date of acquisition thereof and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's; (iv) certificates of deposit, bankers' acceptances or time deposits maturing within 180 days (or 90 days, in the case of any investments in certificates of deposit, bankers' acceptances or time deposits held pursuant to Section 2.11(a), (b) or (c) in a

Deposit Account constituting Term Collateral) from the date of acquisition thereof and issued or accepted by any Lender or by any commercial bank organized under the laws of the United States of America, or any State thereof or the District of Columbia that (a) is at least "adequately capitalized" (as defined in the regulations of its primary Federal banking regulator) and (b) has Tier 1 capital (as defined in such regulations) of not less than $500,000,000; and (v) shares of any money market mutual fund that (a) complies with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, as amended, (b) has net assets of not less than $5,000,000,000, and (c) has the highest rating obtainable from either S&P or Moody's.

"Certificate re Non-Bank Status" means a certificate substantially in the form of Exhibit E.

"Change of Control" means (i) any Person or "group" (within the meaning of the Exchange Act and the rules of the SEC thereunder) (a) shall have acquired ownership or control, directly or indirectly, beneficially or of record, of 35% or more on a fully diluted basis of the aggregate voting power and/or aggregate economic interest represented by the issued and outstanding Equity Interests of Control Person or (b) shall have obtained the power (whether or not exercised) to elect a majority of the members of the board of directors (or similar governing body) of Control Person; (ii) prior to a Permitted Change of Control Transaction, Griffon shall beneficially own and control, directly or indirectly, less than 100% on a fully diluted basis of the economic and voting interest in the Equity Interests of Holdings; (iii) Holdings shall beneficially own and control, directly or indirectly, less than 100% on a fully diluted basis of the economic and voting interest in the Equity Interests of Borrower; (iv) the majority of the seats (other than vacant seats) on the board of directors (or similar governing body) of Control Person shall cease to be occupied by Persons who either (a) were members of the board of directors of Control Person on the Closing Date or (b) were nominated for election by the board of directors of Control Person, a majority of whom were directors on the Closing Date or whose election or nomination for election was previously approved by a majority of such directors; or (v) any "change of control" (as such term is defined in the Revolving Credit Agreement) under the Revolving Credit Agreement shall occur.

"Closing Date" means the date on which the conditions specified in Section 3.1 have been satisfied (or waived in accordance with Section 10.5).

"Closing Date Certificate" means a Closing Date Certificate substantially in the form of Exhibit F-1.

"Collateral" means, collectively, all of the property (including Equity Interests) in which Liens are purported to be granted pursuant to the Collateral Documents as security for the Obligations.

"Collateral Access Agreement" as defined in the Pledge and Security Agreement.

"Collateral Agent" means GSLP, in its capacity as collateral agent for the Secured Parties under the Credit Documents, and its successors in such capacity as provided in Section 9.

"**Collateral and Guarantee Requirement**" means, at any time, the requirement that:

(a) Administrative Agent shall have received from Holdings and each of its Domestic Subsidiaries (other than any Immaterial Subsidiary) either (i) a counterpart of this Agreement duly executed and delivered on behalf of such Person as a "Guarantor" (or "Borrower", in the case of Borrower) or (ii) in the case of any Person that becomes a Domestic Subsidiary (other than an Immaterial Subsidiary), or a Domestic Subsidiary that ceases to be an Immaterial Subsidiary, in each case after the Closing Date, a Counterpart Agreement duly executed and delivered on behalf of such Person;

(b) Collateral Agent shall have received from Borrower, Holdings and each Domestic Subsidiary (other than any Immaterial Subsidiary) either (i) a counterpart of the Pledge and Security Agreement duly executed and delivered on behalf of such Person or (ii) in the case of any Person that becomes a Domestic Subsidiary (other than an Immaterial Subsidiary), or a Domestic Subsidiary that ceases to be an Immaterial Subsidiary, in each case after the Closing Date, a supplement to the Pledge and Security Agreement, in the form specified therein, duly executed and delivered on behalf of such Person;

(c) in the case of any Person that becomes a Domestic Subsidiary (other than an Immaterial Subsidiary), or a Domestic Subsidiary that ceases to be an Immaterial Subsidiary, in each case after the Closing Date, Administrative Agent shall have received documents and opinions of the type referred to in Sections 3.1(b), 3.1(h) and 3.1(k) with respect to such Domestic Subsidiary;

(d) all Equity Interests owned by or on behalf of any Credit Party shall have been pledged pursuant to the Pledge and Security Agreement and, in the case of Equity Interests in any first-tier Foreign Subsidiary (other than any Immaterial Subsidiary), where the Collateral Agent so requests in connection with the pledge of such Equity Interests, a Foreign Pledge Agreement (provided that the Credit Parties shall not be required to pledge more than 65% of the outstanding voting Equity Interests in any Foreign Subsidiary), and the Collateral Agent shall, to the extent required by the Pledge and Security Agreement, have received certificates or other instruments representing all such Equity Interests, together with undated stock powers or other instruments of transfer with respect thereto endorsed in blank;

(e) (i) all Indebtedness of Griffon and its Affiliates, Holdings, the Borrower and each Subsidiary that is owing to any Credit Party shall be evidenced by the Intercompany Note (and no other instrument) and (ii) such Intercompany Note (along with any other

promissory notes evidencing Indebtedness of any other Person in a principal amount of $250,000 or more that is owing to any Credit Party, if any) shall have been pledged pursuant to the Pledge and Security Agreement, and the Collateral Agent shall have received such Intercompany Notes (and any such promissory notes), together with undated instruments of transfer with respect thereto endorsed in blank;

(f) all documents and instruments, including UCC financing statements, required by applicable law or reasonably requested by Collateral Agent to be filed, registered or recorded to create the Liens intended to be created by the Collateral Documents and perfect such Liens to the extent required by, and with the priority required by, the Collateral Documents, shall have been filed, registered or recorded or delivered to Collateral Agent for filing, registration or recording;

(g) Collateral Agent shall have received (i) counterparts of a Mortgage with respect to each Material Real Estate Asset duly executed and delivered by the record owner of such Material Real Estate Asset, (ii) a policy or policies of title insurance issued by a nationally recognized title insurance company insuring the Lien of each Mortgage as a valid and enforceable First Priority Lien on the Material Real Estate Asset described therein, free of any other Liens other than Permitted Encumbrances, together with such endorsements, coinsurance and reinsurance as the Collateral Agent may reasonably request, (iii) if any Material Real Estate Asset is located in an area determined by the Federal Emergency Management Agency to have special flood hazards, evidence of such flood insurance as may be required under applicable law, including Regulation H of the Board of Governors, and (iv) such surveys, abstracts, appraisals, legal opinions and other documents (including an opinion of counsel (which shall be reasonably satisfactory to the Collateral Agent) in each state in which Material Real Estate Assets are located with respect to the enforceability of the form(s) of Mortgages to be recorded in such state and such other matters as the Collateral Agent may reasonably request, in each case in form and substance reasonably satisfactory to the Collateral Agent) as the Collateral Agent may reasonably request with respect to any such Mortgage or Material Real Estate Asset; and

(h) with respect to each Deposit Account (other than (x) any Deposit Account the funds in which are used, in the ordinary course of business, solely for the payment of salaries and wages, workers' compensation and similar expenses and (y) Deposit Accounts with a balance not exceeding $25,000 individually or $100,000 in the aggregate) and each securities account maintained by any Credit Party with any depositary bank or securities intermediary, the Collateral Agent shall have received a counterpart, duly executed and delivered by the applicable Credit Party and such depositary bank or securities intermediary, as the case may be, of a Control Agreement.

Collateral Agent may grant extensions of time for the creation and perfection of security interests in or the obtaining of title insurance, legal opinions or other deliverables with respect to particular assets or the provision of any Guarantee by any Subsidiary (including extensions beyond the Closing Date or in connection with assets acquired, or Subsidiaries formed or acquired, after the Closing Date) where it determines that such action cannot be accomplished

without undue effort or expense by the time or times at which it would otherwise be required to be accomplished by this Agreement or the Collateral Documents.

"Collateral Documents" means the Pledge and Security Agreement, the Mortgages, the Intellectual Property Security Agreements, the Perfection Certificate, the Control Agreements, the Collateral Access Agreements, if any, and all other instruments, documents and agreements delivered by or on behalf of any Credit Party pursuant to this Agreement or any of the other Credit Documents in order to grant to, or perfect in favor of, Collateral Agent, for the benefit of Secured Parties, a Lien on any property of such Credit Party as security for the Obligations.

"Combined Material Adverse Effect" means any change, effect, event, occurrence, state of facts or development that, individually or in the aggregate with any other change, effect, event, occurrence, state of facts or development, is or is reasonably likely to be materially adverse to the financial condition or results of operations, assets, liabilities or business of Holdings, the Acquired Business and their respective subsidiaries, taken as a whole (the **"Combined Business"**); provided that any material adverse change (including a prospective change) to the Combined Business's, taken as a whole, business relationship with The Home Depot Inc., Lowe's Companies, Inc., Wal-Mart Stores, Inc., Menards, Inc. or Procter & Gamble, Co. or any of their respective subsidiaries or affiliates with whom the Combined Business and its subsidiaries, taken as a whole, has a material business relationship as of the date hereof (collectively, the **"Combined Business Major Customers"**) shall constitute the basis for a Combined Material Adverse Effect or a material adverse change, since September 30, 2009 (with respect to Holdings and its Subsidiaries) and October 3, 2009 (with respect to the Acquired Business and its Subsidiaries); provided, however, that none of the following shall be deemed in itself, or in any combination, to constitute, and none of the following shall be taken into account in determining whether there has been or will be, a Combined Material Adverse Effect: (a) any adverse change, effect, event, occurrence, state of facts or development attributable to the announcement or pendency of the transactions contemplated by the Purchase Agreement (other than with respect to any of the Combined Business's and its subsidiaries' relationships with any Combined Business Major Customer); (b) any adverse change, effect, event, occurrence, state of facts or development affecting the lawn and garden industry (that does not disproportionately affect the Combined Business and its subsidiaries, taken as a whole), the United States economy as a whole or the capital markets in general; (c) any adverse change, event, development, or effect arising from or relating to changes in GAAP; (d) any adverse change, effect, event, occurrence, state of facts or development resulting from or relating to compliance with the terms of, or the taking of any action required by, the Purchase Agreement (other than consummation of the closing of the transactions contemplated by the Purchase Agreement itself); or (e) any adverse change, effect, event, occurrence, state of facts or development arising from or relating to the commencement, continuation or escalation of a war, material armed hostilities or other material international or national calamity or act of terrorism directly involving the United States of America.

"Commitment Letter" means the second amended and restated commitment letter, dated September 8, 2010, among GSLP, J.P. Morgan Securities LLC, JPMorgan Chase Bank, N.A., DBSI, DBTCA, Acquisition Sub and Parent.

"Company Intellectual Property" as defined in Section 4.7(b).

"Company Material Adverse Effect" means any change, effect, event, occurrence, state of facts or development that, individually or in the aggregate with any other change, effect, event, occurrence, state of facts or development, is or is reasonably likely to be materially adverse to (i) the financial condition or results of operations, assets, liabilities or business of the Acquired Business and its subsidiaries taken as a whole, provided that any material adverse change (including a prospective change) to the Acquired Business's and its subsidiaries', taken as a whole, business relationship with The Home Depot Inc., Lowe's Companies, Inc. or Wal-Mart Stores, Inc. or any of their respective subsidiaries or affiliates with whom the Acquired Business and its subsidiaries, taken as a whole, has a material business relationship as of the date hereof (collectively, the **"Company Major Customers"**) shall constitute the basis for a Company Material Adverse Effect or a material adverse change; provided, however, that none of the following shall be deemed in itself, or in any combination, to constitute, and none of the following shall be taken into account in determining whether there has been or will be, a Company Material Adverse Effect: (a) any adverse change, effect, event, occurrence, state of facts or development attributable to the announcement or pendency of the transactions contemplated by the Purchase Agreement (other than with respect to any of the Acquired Business's and its subsidiaries' relationships with any Company Major Customer); (b) any adverse change, effect, event, occurrence, state of facts or development affecting the lawn and garden industry (that does not disproportionately affect the Acquired Business and its subsidiaries, taken as a whole), the United States economy as a whole or the capital markets in general; (c) any adverse change, event, development, or effect arising from or relating to changes in GAAP; (d) any adverse change, effect, event, occurrence, state of facts or development resulting from or relating to compliance with the terms of, or the taking of any action required by, the Purchase Agreement (other than consummation of the closing of the transactions contemplated by the Purchase Agreement itself); or (e) any adverse change, effect, event, occurrence, state of facts or development arising from or relating to the commencement, continuation or escalation of a war, material armed hostilities or other material international or national calamity or act of terrorism directly involving the United States of America, or (ii) the ability of the Acquired Business to timely consummate the transactions contemplated by the Purchase Agreement.

"Compliance Certificate" means a Compliance Certificate substantially in the form of Exhibit B.

"Consolidated Adjusted EBITDA" means, for any period, the sum of Consolidated Net Income, plus to the extent reducing Consolidated Net Income, the sum, without duplication, of amounts for (a) consolidated interest expense, (b) total depreciation and amortization expense, (c) provisions for foreign, Federal, state and local income taxes, (d) other non-Cash charges reducing Consolidated Net Income (excluding any such non-Cash charge to the extent that it represents an accrual or reserve for potential Cash charge in any future period or amortization of a prepaid Cash charge that was paid in a prior period, and it being understood that any write-down or write-off of current assets is not a non-Cash charge), (e) Transaction Costs (if incurred prior to the date that is 90 days after the Closing Date), (f) management fees paid to Castle Harlan, Inc. pursuant to the Acquired Business Management Agreement (if paid prior to the Closing Date), (g) restructuring charges incurred in connection with the closing and

restructuring of idle facilities (excluding restructuring charges incurred in connection with the Louisville, Kentucky facility and the internal legal entity restructuring of Garant Inc.) and non-recurring restructuring charges incurred in connection with consolidation of facilities of Clopay Building Products Company; provided that (x) the aggregate amount of such charges referred to in this clause (g) that occurred during any portion of such period prior to the Closing Date shall not exceed $9,000,000 and (y) the aggregate amount of such charges referred to in clause (g) for all periods ending after the Closing Date shall not exceed $7,000,000, and (h) expenses related to the acquisition of West Barrows Mix Pty Ltd., in aggregate amount not to exceed $2,000,000, (i) any severance or similar one-time compensation charges in an aggregate amount not to exceed $5,000,000 in any four Fiscal-Quarter period; provided that the aggregate amount of such charges for all periods ending after the Closing Date shall not exceed $10,000,000, (j) any losses that are both infrequent and unusual, (k) fees, expenses and charges relating to any offering of Equity Interests or Indebtedness of Holdings or its Subsidiaries or any Permitted Acquisition, (l) stock options or other equity-based compensation charges that are non-Cash, (m) any dividend on preferred Equity Interests (other than Disqualified Interests) and (n) any after-tax losses attributable to Asset Sales, Insurance/Condemnation Events, returned surplus assets of any Pension Plan or repurchase by Borrower of Term Loans pursuant to Section 2.10(c), minus (ii) the sum of (a) other non-Cash gains increasing Consolidated Net Income for such period (excluding any such non-Cash gain to the extent it represents the reversal of an accrual or reserve for potential Cash gain in any prior period), (b) any gains that are both infrequent and unusual, (c) any after-tax gains attributable to Asset Sales, Insurance/Condemnation Events, returned surplus assets of any Pension Plan or repurchase by Borrower of Term Loans pursuant to Section 2.10(c), (d) payments received from the distribution of tariffs collected under the U.S. Continued Dumping and Subsidy Offset Act of 2000 and (e) any payments permitted by Section 6.7(a)(ii) made by Borrower to Holdings that do not otherwise reduce Consolidated Adjusted EBITDA.

"Consolidated Capital Expenditures" means, for any period, expenditures during such period (including expenditures made by the Acquired Business prior to the Closing Date) for any purchase or other acquisition of any asset which would be classified as a fixed or capital asset on a consolidated balance sheet of the Group Members prepared in accordance with GAAP.

"Consolidated Current Assets" means, as at any date of determination, the total assets of a Person and its Subsidiaries on a consolidated basis that may properly be classified as current assets in conformity with GAAP, excluding Cash and Cash Equivalents.

"Consolidated Current Liabilities" means, as at any date of determination, the total liabilities of a Person and its Subsidiaries on a consolidated basis that may properly be classified as current liabilities in conformity with GAAP, excluding the current portion of long term debt.

"Consolidated Excess Cash Flow" means, for any Fiscal Year, an amount equal to:

(i) the sum, without duplication, of (a) Consolidated Net Income (after adjustments for any after-tax losses or gains attributable to Asset Sales or Insurance/Condemnation Events) for such Fiscal Year, plus, (b) to the extent deducted in

determining Consolidated Net Income for such Fiscal Year, the sum, without duplication, of amounts for non-Cash charges and losses deducted in determining Consolidated Net Income, including for depreciation expense and amortization expense (excluding any such non-Cash charge to the extent that it represents an accrual or reserve for a potential Cash item in any future period or amortization of a prepaid Cash charge that was paid in a prior period), plus (c) the Consolidated Working Capital Adjustment, minus

(ii) the sum, without duplication, of (a) the amounts for such Fiscal Year paid from Internally Generated Cash (and, in the case of clause (2) below, from additional Cash equity contributions to Holdings from Griffon and its Subsidiaries (other than Group Members)) of (1) scheduled repayments of Indebtedness for borrowed money (excluding scheduled repayments of the Term Loans and excluding repayments of Revolving Loans or other revolving extensions of credit except to the extent any such repayment is accompanied by a permanent reduction in related commitments) and scheduled repayments of obligations under Capital Leases (excluding any interest expense portion thereof), (2) (x) the scheduled repayments of the Term Loans and (y) the aggregate principal amount of Term Loans voluntarily prepaid by Borrower pursuant to Section 2.10(a) and (b) during such Fiscal Year and (3) the aggregate amount of Consolidated Capital Expenditures made by Holdings and its Subsidiaries in cash during such Fiscal Year, plus (b) to the extent recognized in determining Consolidated Net Income for such Fiscal Year, other non-Cash gains for such Fiscal Year. As used in this clause (ii), "scheduled repayments of Indebtedness" do not include mandatory prepayments or voluntary prepayments, and repurchases of Term Loans pursuant to Section 2.10(c) shall not be taken into account in the calculation of Consolidated Excess Cash Flow.

"Consolidated Interest Expense" means, for any period, total Cash interest expense (including that portion attributable to Capital Lease Obligations in accordance with GAAP) of Holdings and its Subsidiaries for such period with respect to all outstanding Indebtedness of Holdings and its Subsidiaries (including all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and net costs under Swap Agreements in respect of interest rates to the extent such net costs are allocable to such period in accordance with GAAP), calculated on a consolidated basis for Holdings and its Subsidiaries for such period in accordance with GAAP).

"Consolidated Net Income" means, for any period, the consolidated net income (or loss) of Holdings and its Subsidiaries on a consolidated basis determined in accordance with GAAP; provided that there shall be excluded (a) the income (or deficit) of any Person accrued prior to the date it becomes a Subsidiary or is merged into or consolidated with or acquired by any Group Member, (b) the income (or deficit) of any Person (other than a Subsidiary of Holdings) in which any Group Member has an ownership interest, except the income of such Person shall be included to the extent that any such income is actually received from such Person by such Group Member in the form of dividends or similar distributions, (c) the income of any Subsidiary of Holdings to the extent that the declaration or payment of dividends or similar distributions by that Subsidiary of that income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or

governmental regulation applicable to that Subsidiary and (d) (to the extent not included in clauses (a) through (c) above) any extraordinary gains or losses in accordance with GAAP.

"Consolidated Total Debt" means, as at any date of determination, the sum of (a) the aggregate principal amount of all Indebtedness of Holdings and its Subsidiaries outstanding as of such date, whether or not such Indebtedness would be reflected on a balance sheet, determined on a consolidated basis in accordance with GAAP (and without giving effect to any election to value any Indebtedness at "fair value" or any other accounting principal that results in the amount of any such Indebtedness (other than zero coupon Indebtedness) as reflected on such balance sheet as being below the stated principal amount of such Indebtedness) and (b) Indebtedness of Holdings and its Subsidiaries of the type referred to in clause (vi) of the definition of "Indebtedness" (other than any such Indebtedness consisting of letters of credit that do not support Indebtedness).

"Consolidated Working Capital" means, as at any date of determination, the excess of Consolidated Current Assets of Holdings and its Subsidiaries over Consolidated Current Liabilities of Holdings and its Subsidiaries.

"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. In calculating the Consolidated Working Capital Adjustment for any period, there shall be excluded the effect of reclassification during such period of current assets to long term assets and current liabilities to long term liabilities and the effect of any Permitted Acquisition made during such period; provided that there shall be included with respect to any Permitted Acquisition made during such period an amount (which may be a negative number) by which the Consolidated Working Capital attributable to the Person or Persons acquired in such Permitted Acquisition as of the time of such acquisition exceeds (or is less than) Consolidated Working Capital attributable to such Person or Persons as of the end of such period.

"Contractual Obligation" means, as applied to any Person, any provision of any Security issued by that Person or of any agreement, instrument or other undertaking to which that Person is a party or by which it or any of its properties is bound.

"Contributing Guarantors" as defined in Section 7.2.

"Control Agreement" means, with respect to any Deposit Account or securities account maintained by any Credit Party, a control agreement in form and substance reasonably satisfactory to Collateral Agent, duly executed and delivered by Collateral Agent, such Credit Party and the depositary bank or the securities intermediary, as the case may be, with which such account is maintained.

"Control Person" means (i) prior to a Permitted Change of Control Transaction, Griffon, and (ii) thereafter, Holdings.

"Conversion/Continuation Date" means the effective date of a continuation or conversion, as the case may be, as set forth in the applicable Conversion/Continuation Notice.

"Conversion/Continuation Notice" means a Conversion/Continuation Notice substantially in the form of Exhibit A-2.

"Counterpart Agreement" means a Counterpart Agreement substantially in the form of Exhibit G.

"Covenant Defeasance", with respect to any Senior Notes, as defined under the Senior Notes Indenture under which such Senior Notes were issued.

"Credit Document" means any of this Agreement, the Notes, if any, the Intercreditor Agreement, the Collateral Documents and all other documents, certificates, instruments, fee letters or agreements executed and delivered by or on behalf of any Credit Party for the benefit of any Agent or any Lender in connection herewith prior to, on or after the date hereof.

"Credit Parties" means Borrower and the Guarantors.

"**DBSI**" means Deutsche Bank Securities Inc.

"**DBTCA**" means Deutsche Bank Trust Company Americas.

"Default" means a condition or event that (a) constitutes an Event of Default or (b) after notice or lapse of time or both (unless cured or waived), would constitute an Event of Default.

"Deposit Account" means a demand, time, savings, passbook or like account with a bank, savings and loan association, credit union or like organization, other than an account evidenced by a negotiable certificate of deposit.

"**Disqualified Equity Interests**" means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition, (i) matures or is mandatorily redeemable (other than solely for Equity Interests which are not otherwise Disqualified Equity Interests), pursuant to a sinking fund obligation or otherwise, (ii) is redeemable at the option of the holder thereof (other than solely for Equity Interests which are not otherwise Disqualified Equity Interests), in whole or in part, (iii) provides for the scheduled payments or dividends in cash, or (iv) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is 91 days after the Maturity Date.

"**Dollar Equivalent**" means, on any date of determination, with respect to any amount in any currency other than Dollars, the equivalent in Dollars of such amount, determined using the Exchange Rate with respect to such currency in effect for such amount on such date.

"Dollars" and the sign **"$"** mean the lawful money of the United States of America.

"Domestic Subsidiary" means any Subsidiary organized under the laws of the United States of America, any State thereof or the District of Columbia.

"Eligible Assignee" means any Person other than a natural Person that is (i) a Lender, an Affiliate of any Lender or a Related Fund (any two or more Related Funds being treated as a single Eligible Assignee for all purposes hereof), or (ii) a commercial bank, insurance company, investment or mutual fund or other entity that is an "accredited investor" (as defined in Regulation D under the Securities Act) and which extends credit or buys loans in the ordinary course of business; provided neither Griffon, Parent, any Credit Party nor any Affiliate thereof (other than GSLP and any Affiliate thereof, except Griffon, Parent, Holdings or any of their respective Subsidiaries) shall be an Eligible Assignee.

"Employee Benefit Plan" means any "employee benefit plan" as defined in Section 3(3) of ERISA, which is or was sponsored, maintained or contributed to by, or required to be contributed by, Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates.

"Environmental Claim" means any investigation, notice, notice of violation, claim, action, suit, proceeding, demand, abatement order or other order or directive (conditional or otherwise), by any Governmental Authority or any other Person, arising (i) pursuant to or in connection with any actual or alleged violation of any Environmental Law; (ii) in connection with any Hazardous Material or any actual or alleged Hazardous Materials Activity; or (iii) in connection with any actual or alleged damage, injury, threat or harm to health, safety, natural resources or the environment.

"Environmental Laws" means any and all current or future foreign or domestic, federal or state (or any subdivision of either of them), statutes, ordinances, orders, rules, regulations, judgments, Governmental Authorizations, or any other requirements of Governmental Authorities relating to (i) environmental matters, including those relating to any Hazardous Materials Activity; (ii) the generation, use, storage, transportation or disposal of Hazardous Materials; or (iii) occupational safety and health, industrial hygiene, land use or the protection of human, plant or animal health or welfare, in any manner applicable to Holdings or any of its Subsidiaries or any Facility.

"Equity Contribution" means a cash equity contribution (direct or indirect) from Griffon to Holdings in an aggregate amount equal to the excess of $196,000,000 over the aggregate amount of unrestricted freely available Cash-on-hand of Holdings and its Subsidiaries as of the Closing Date (before giving effect to the Acquisition); provided that any Equity Interests issued in respect thereof should be common Equity Interests of Holdings.

"Equity Interests" 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.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor thereto.

"ERISA Affiliate" means, as applied to any Person, (i) any corporation which is a member of a controlled group of corporations within the meaning of Section 414(b) of the Internal Revenue Code of which that Person is a member; (ii) any trade or business (whether or not incorporated) which is a member of a group of trades or businesses under common control within the meaning of Section 414(c) of the Internal Revenue Code of which that Person is a member; and (iii) any member of an affiliated service group within the meaning of Section 414(m) or (o) of the Internal Revenue Code of which that Person, any corporation described in clause (i) above or any trade or business described in clause (ii) above is a member. Any former ERISA Affiliate of Holdings or any of its Subsidiaries shall continue to be considered an ERISA Affiliate of Holdings or any such Subsidiary within the meaning of this definition with respect to the period such entity was an ERISA Affiliate of Holdings or such Subsidiary and with respect to liabilities arising after such period for which Holdings or such Subsidiary could be liable under the Internal Revenue Code or ERISA.

"ERISA Event" means (i) a "reportable event" within the meaning of Section 4043 of ERISA and the regulations issued thereunder with respect to any Pension Plan (excluding those for which the provision for 30-day notice to the PBGC has been waived by regulation); (ii) the failure to meet the minimum funding standard of Section 412 of the Internal Revenue Code with respect to any Pension Plan (whether or not waived in accordance with Section 412(c) of the Internal Revenue Code) or the failure to make by its due date a required installment under Section 430(j) of the Internal Revenue Code with respect to any Pension Plan or the failure to make any required contribution to a Multiemployer Plan; (iii) the provision by the administrator of any Pension Plan pursuant to Section 4041(a)(2) of ERISA of a notice of intent to terminate such plan in a distress termination described in Section 4041(c) of ERISA; (iv) the withdrawal by Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates from any Pension Plan with two or more contributing sponsors or the termination of any such Pension Plan resulting in liability to Holdings, any of its Subsidiaries or any of their respective Affiliates pursuant to Section 4063 or 4064 of ERISA; (v) the institution by the PBGC of proceedings to terminate any Pension Plan, or the occurrence of any event or condition which constitutes grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (vi) the imposition of liability on Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates pursuant to Section 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA; (vii) the withdrawal of Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates in a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) from any Multiemployer Plan if there is any potential liability therefor, or the receipt by Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates of notice from any Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (viii) the occurrence of an act or omission which could give rise to the imposition on Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates of fines, penalties, taxes or related charges under Chapter 43 of the Internal Revenue Code or under Section 409, Section 502(c), (i) or (l), or Section 4071 of ERISA in respect of any Employee Benefit Plan; (ix) the assertion of a material claim (other than routine claims for benefits) against any Employee Benefit Plan other than a

Multiemployer Plan or the assets thereof, or against Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates in connection with any Employee Benefit Plan; (x) receipt from the Internal Revenue Service of notice of the failure of any Pension Plan (or any other Employee Benefit Plan intended to be qualified under Section 401(a) of the Internal Revenue Code) to qualify under Section 401(a) of the Internal Revenue Code, or the failure of any trust forming part of any Pension Plan to qualify for exemption from taxation under Section 501(a) of the Internal Revenue Code; or (xi) the imposition on Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates of a lien pursuant to Section 430(k) of the Internal Revenue Code or ERISA or a violation of Section 436 of the Internal Revenue Code.

"Eurodollar Rate Term Loan" means a Term Loan bearing interest at a rate determined by reference to the Adjusted Eurodollar Rate.

"Event of Default" means each of the conditions or events set forth in Section 8.1.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, and any successor statute.

"**Exchange Rate**" means, on any day, with respect to Dollars in relation to any Alternative Currency, the rate at which Dollars may be exchanged into such currency, as set forth on such day on the applicable Reuters World Currency Page. In the event such rate does not appear on the applicable Reuters World Currency Page, the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates, or such other method, as may be determined by the Borrower (subject to the approval of Administrative Agent, not to be unreasonably withheld), and such determination shall be conclusive and binding, absent manifest error.

"**Existing Debt Agreements**" means all agreements, undertakings, instruments and other documents in effect immediately prior to the Closing Date under which Holdings or any of its Subsidiaries has any Indebtedness (other than Indebtedness set forth on Schedule 6.1), including (i) the Amended and Restated Credit Agreement, dated as of April 7, 2006, as amended, among Ames True Temper, Inc., Acorn Products, Inc., UnionTools, Inc. and Ames True Temper Properties, Inc., as Borrower, ATT Holding Co., as a parent guarantor, Bank of America, N.A., as Administrative Agent, Swingline Lender and L/C Issuer, and the other lender parties thereto, (ii) the Existing Revolving Credit Agreement and (iii) the Senior Notes Indentures.

"**Existing Revolving Credit Agreement**" means the Credit Agreement, dated as of June 24, 2008, among Clopay Building Products Company, Inc., Clopay Plastic Products Company, Inc., as borrowers, JPMorgan Chase Bank, N.A., as Administrative Agent and the other lender parties thereto.

"Facility" means any real property (including all buildings, fixtures or other improvements located thereon) now, hereafter or heretofore owned, leased, operated or used by Holdings or any of its Subsidiaries or any of their respective predecessors or Affiliates.

"Fair Share Contribution Amount" as defined in Section 7.2.

"Fair Share" as defined in Section 7.2.

"Federal Funds Effective Rate" means for any day, the rate per annum (expressed, as a decimal, rounded upwards, if necessary, to the next higher 1/100 of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided, (i) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate charged to Administrative Agent on such day on such transactions as determined by Administrative Agent.

"Financial Officer Certification" means, with respect to any consolidated financial statements of any Person, the certification of the chief financial officer of such Person that such financial statements fairly present, in all material respects, the consolidated financial position of such Person and its Subsidiaries as of the dates indicated and the consolidated results of their operations and their cash flows for the periods indicated in conformity with GAAP applied on a basis consistent with prior years (except as otherwise disclosed in such financial statements), subject to changes resulting from audit and normal year-end adjustments and the absence of footnotes.

"Financial Plan" as defined in Section 5.1(g).

"First Priority" means, with respect to any Lien purported to be created in any Collateral pursuant to any Collateral Document, that such Lien is perfected and has priority over all other Liens to which such Collateral is subject, other than any Permitted Encumbrances.

"Fiscal Quarter" means a fiscal quarter of any Fiscal Year.

"Fiscal Year" means the fiscal year of Holdings and its Subsidiaries ending on (or, in the case of certain Subsidiaries, about) September 30 of each calendar year.

"**Floating Rate Notes**" means the Senior Floating Rate Notes due 2012, issued by the Acquired Company, pursuant to the Floating Rate Notes Indenture.

"**Floating Rate Notes Indenture**" means the Indenture for Senior Floating Notes due 2012, dated January 14, 2005, among the Acquired Company, as Issuer, ATT Holding Co., as Guarantor and The Bank of New York, as Trustee, and the Supplemental Indenture to the Indenture dated January 14, 2005, dated as of December 17, 2007 and among the Acquired Company, Ames U.S. Holding Corp., Ames Holdings, Inc., Ames True Temper Properties, Inc., ATT Holding Co. and The Bank of New York, as Trustee.

"**Floating Rate Supplemental Indenture**" means a Supplemental Indenture to the Floating Rates Indenture to be entered into on or prior to the Closing Date among the Acquired Company, Ames U.S. Holding Corp., Ames Holdings, Inc., Ames True Temper Properties, Inc., ATT Holding Co. and The Bank of New York, as Trustee, which Supplemental Indenture shall be substantially the same, in form and substance, as the form of Supplemental

Indenture previously delivered to Administrative Agent in connection with the tender offer for the purchase of the Floating Rate Notes.

"Flood Hazard Property" means any Real Estate Asset subject to a mortgage in favor of Collateral Agent, for the benefit of Secured Parties, and located in an area designated by the Federal Emergency Management Agency as having special flood or mud slide hazards.

"Foreign Plan" means each employee benefit plan (within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA) that is not subject to U.S. law and is maintained or contributed to by Holdings or any ERISA Affiliate.

"Foreign Pledge Agreement" means a pledge or charge agreement granting a Lien on Equity Interests in a Foreign Subsidiary to secure the Obligations, governed by the law of the jurisdiction of organization of such Foreign Subsidiary and in form and substance reasonably satisfactory to Collateral Agent.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"Funding Guarantors" as defined in Section 7.2.

"Funding Notice" means a notice substantially in the form of Exhibit A-1.

"GAAP" means, subject to the limitations on the application thereof set forth in Section 1.2, United States generally accepted accounting principles in effect as of the date of determination thereof.

"Governmental Acts" means any act or omission, whether rightful or wrongful, of any present or future de jure or de facto government or Governmental Authority.

"Governmental Authority" means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"Governmental Authorization" means any permit, license, authorization, plan, directive, consent order or consent decree of or from any Governmental Authority.

"Grantor" as defined in the Pledge and Security Agreement.

"Griffon" means Griffon Corporation, a Delaware corporation.

"Group Members" means, concurrently with or after the Transactions, the collective reference to Holdings, the Borrower and their respective Subsidiaries.

"GSLP" as defined in the preamble hereto.

"Guarantee" of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or other obligation; provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The amount, as of any date of determination, of any Guarantee shall be the principal amount outstanding on such date of Indebtedness or other obligation guaranteed thereby (or, in the case of (i) any Guarantee the terms of which limit the monetary exposure of the guarantor or (ii) any Guarantee of an obligation that does not have a principal amount, the maximum monetary exposure as of such date of the guarantor under such Guarantee (as determined, in the case of clause (i), pursuant to such terms or, in the case of clause (ii), reasonably and in good faith by the chief financial officer of Borrower)).

"Guaranteed Obligations" as defined in Section 7.1.

"Guarantor" means each of Holdings and each Domestic Subsidiary of Holdings (other than Borrower) that is a party hereto as a "Guarantor" and a party to the Pledge and Security Agreement as a "Grantor" thereunder.

"Guarantor Subsidiary" means each Guarantor other than Holdings.

"Hazardous Materials" means any chemical, material or substance, exposure to which is prohibited, limited or regulated by any Governmental Authority or which may or could pose a hazard to the health and safety of the owners, occupants or any Persons in the vicinity of any Facility or to the indoor or outdoor environment.

"Hazardous Materials Activity" means any past, current or proposed activity, event or occurrence involving any Hazardous Materials, including the use, manufacture, possession, storage, holding, presence, existence, location, Release, threatened Release, discharge, placement, generation, transportation, processing, construction, treatment, abatement, removal, remediation, disposal, disposition or handling of any Hazardous Materials, and any corrective action or response action with respect to any of the foregoing.

"Hedge Agreement" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions (including Interest Rate Agreements); provided that no phantom stock or similar plan providing for payments only on

account of services provided by current or former directors, officers, employees or consultants of Holdings or its Subsidiaries shall be a Hedge Agreement.

"Highest Lawful Rate" means the maximum lawful interest rate, if any, that at any time or from time to time may be contracted for, charged, or received under the laws applicable to any Lender which are presently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than applicable laws now allow.

"Historical Financial Statements" means (a) separate audited consolidated financial statements of each of Clopay Holding Co. and its Subsidiaries (prior to the Acquisition) and of ATT Holding Co. and its Subsidiaries, for the immediately preceding three Fiscal Years, consisting of audited consolidated balance sheets and the related consolidated statements of income, stockholders' equity and cash flows for such Fiscal Years, and (b) (i) separate unaudited consolidated quarterly financial statements of each of Clopay Holding Co. and its Subsidiaries (prior to the Acquisition) and of ATT Holding Co. and its Subsidiaries as of the end of and for each subsequent Fiscal Quarter, consisting of a consolidated balance sheet and the related consolidated statements of income, stockholders' equity and cash flows for the twelve-month period, ending on such date and (ii) internal monthly "flash reports" of each of Clopay Holding Co. and its Subsidiaries (prior to the Acquisition) and of ATT Holding Co. and its Subsidiaries as of the end of and for each subsequent calendar month.

"Holdings" as defined in the preamble hereto.

"Increased-Cost Lenders" as defined in Section 2.19.

"Immaterial Subsidiary" means, as of any date, any Subsidiary with consolidated total assets of less than $2,500,000, provided that the aggregate consolidated assets of all Immaterial Subsidiaries may not exceed $10,000,000, collectively, at any time (and Borrower will designate in writing to Administrative Agent from time to time the Subsidiaries which will cease to be treated as "Immaterial Subsidiaries" in order to comply with the foregoing limitation).

"Indebtedness" means, as applied to any Person, without duplication, (i) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind; (ii) all Capital Lease Obligations of such Person which are required to be classified as liabilities under GAAP; (iii) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments; (iv) all obligations of such Person in respect of the deferred purchase price of property or services (excluding trade payables, accrued expenses and current accounts payable in each case incurred in the ordinary course of business); (v) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (vi) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty; (vii) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances; (viii) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person; (ix) all Guarantees by such Person of

Indebtedness of others; and (x) Disqualified Equity Interests. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

"Indemnified Liabilities" means, collectively, any and all liabilities, obligations, losses, damages (including natural resource damages), penalties, claims (including Environmental Claims), actions, judgments, suits, costs (including the reasonable and documented costs of any investigation, study, sampling, testing, abatement, cleanup, removal, remediation or other response action necessary to remove, remediate, clean up or abate any Hazardous Materials Activity), reasonable and documented expenses and disbursements of any kind or nature whatsoever (including the reasonable and documented fees and disbursements of counsel for Indemnitees in connection with any investigative, administrative or judicial proceeding or hearing commenced or threatened by any Person, whether commenced or threatened by Holdings or any of its Affiliates or by any other Person and whether or not any such Indemnitee shall be designated as a party or a potential party thereto, and any reasonable and documented fees or expenses incurred by Indemnitees in enforcing this indemnity), whether direct, indirect, special or consequential and whether based on any federal, state or foreign laws, statutes, rules or regulations (including securities and commercial laws, statutes, rules or regulations and Environmental Laws), on common law or equitable cause or on contract or otherwise, that may be imposed on, incurred by, or asserted against any such Indemnitee, in any manner relating to or arising out of (i) this Agreement or the other Credit Documents or the transactions contemplated hereby or thereby (including the Lenders' agreement to make Term Loans, the syndication of the credit facility provided for herein or the use or intended use of the proceeds thereof, any amendments, waivers or consents with respect to any provision of this Agreement or any of the other Credit Documents, or any enforcement of any of the Credit Documents (including any sale of, collection from, or other realization upon any of the Collateral or the enforcement of the Obligations Guarantee)); (ii) the Commitment Letter (and any related fee letter); or (iii) any Environmental Claim or any Hazardous Materials Activity relating to or arising from, directly or indirectly, any past or present activity, operation, land ownership, or practice of Holdings or any of its Subsidiaries.

"Indemnitee" as defined in Section 10.3.

"Installment" as defined in Section 2.9.

"Insurance/Condemnation Event" means any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, or any disposition under a threat of such taking, of all or any part of any assets of Borrower or any Subsidiary other than any of the foregoing resulting in aggregate Net Insurance/Condemnation Proceeds not exceeding $2,000,000 from a single event or a series of related events and not exceeding $5,000,000 when aggregated with the Net Insurance/Condemnation Proceeds from all other such events during any Fiscal Year.

"Intellectual Property" as defined in the Pledge and Security Agreement.

"Intellectual Property Asset" means, at the time of determination, any interest (fee, license or otherwise) then owned by any Credit Party in any Intellectual Property.

"Intellectual Property Security Agreements" has the meaning assigned to that term in the Pledge and Security Agreement.

"Intercompany Note" means a promissory note substantially in the form of Exhibit K evidencing Indebtedness owed among Credit Parties and their Subsidiaries.

"Intercreditor Agreement" means an Intercreditor Agreement dated as of the date hereof, between the Credit Parties, Collateral Agent and the Revolving Collateral Agent, substantially in the form of Exhibit I.

"Interest Coverage Ratio" means the ratio as of the last day of any Fiscal Quarter of (i) Consolidated Adjusted EBITDA for the four-Fiscal Quarter period then ended to (ii) Consolidated Interest Expense for such four-Fiscal Quarter period.

"Interest Payment Date" means with respect to (i) any Term Loan that is a Base Rate Term Loan, each March 31, June 30, September 30 and December 31 of each year, commencing on the first such date to occur after the Closing Date, and the final maturity date of such Term Loan; and (ii) any Term Loan that is a Eurodollar Rate Term Loan, the last day of each Interest Period applicable to such Term Loan; provided, in the case of each Interest Period of longer than three months "Interest Payment Date" shall also include each date that is three months, or an integral multiple thereof, after the commencement of such Interest Period.

"Interest Period" means, in connection with a Eurodollar Rate Term Loan, an interest period of one, two, three or six months (or, if available to all Lenders, nine or twelve months), as selected by Borrower in the applicable Funding Notice or Conversion/Continuation Notice, (i) initially, commencing on the Closing Date or Conversion/Continuation Date thereof, as the case may be; and (ii) thereafter, commencing on the day on which the immediately preceding Interest Period expires; provided that (a) if an Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day unless in the case of Eurodollar Rate Borrowings only, no further Business Day occurs in such month, in which case such Interest Period shall expire on the immediately preceding Business Day; (b) any Interest Period pertaining to Eurodollar Rate Borrowings that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clause (c), of this definition, end on the last Business Day of a calendar month; and (c) no Interest Period shall extend beyond the Maturity Date.

"Interest Rate Agreement" means any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedging agreement or other similar agreement or arrangement.

"Interest Rate Determination Date" means, with respect to any Interest Period, the date that is two Business Days prior to the first day of such Interest Period.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended to the date hereof and from time to time hereafter, and any successor statute.

"Internally Generated Cash" means, with respect to any period, any cash of Holdings or any Subsidiary generated during such period, excluding Net Asset Sale Proceeds, Net Insurance/Condemnation Proceeds and any cash that is generated from an incurrence of Indebtedness, an issuance of Equity Interests or a capital contribution.

"**Investment**" means by any Person, (i) the amount paid or committed to be paid, or the value of property or services contributed or committed to be contributed, by such person for or in connection with the direct or indirect redemption, purchase or other acquisition by such Person of any stock, bonds, notes, debentures, partnership or other ownership interests or other Securities of any other Person or any capital contribution to any other Person, (ii) the amount of any direct or indirect redemption, purchase or other advance, loan or extension of credit by such Person, to any other Person, or Guarantee or other similar obligation of such Person with respect to any Indebtedness or other obligation of such other Person (other than trade payables in the ordinary course of business), and (without duplication) any amount committed to be advanced, loans, or extended by such Person to any other Person, or any amount the payment of which is committed to be assured by a Guarantee or similar obligation by such Person for the benefit of, such other Person and (iii) all investments consisting of any exchange traded or over the counter derivative transaction, including any Interest Rate Agreement and other Hedge Agreement, whether entered into for hedging or speculative purposes or otherwise. The amount of any Investment of the type described in clauses (i), (ii) and (iii) shall be the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment, and any Investment in the form of a Guarantee shall be determined in accordance with the definition of the term "Guarantee".

"Joint Venture" means a joint venture, partnership or other similar arrangement, whether in corporate, partnership or other legal form; provided that in no event shall any corporate Subsidiary of any Person be considered to be a Joint Venture to which such Person is a party.

"Leasehold Property" means any leasehold interest of any Credit Party as lessee under any lease of real property, other than any such leasehold interest designated from time to time by Collateral Agent in its sole discretion as not being required to be included in the Collateral.

"Lender" means each Person listed on the signature pages hereto as a Lender, and any other Person that becomes a party hereto pursuant to an Assignment Agreement, other than any such Person that shall have ceased to be a party hereto pursuant to an Assignment Agreement.

"Leverage Ratio" means, on any date, the ratio of (i) Consolidated Total Debt as of such date to (ii) Consolidated Adjusted EBITDA for the four-Fiscal Quarter period ending on such date (or, if such date is not the last day of a Fiscal Quarter, ended on the last day of the Fiscal Quarter most recently ended prior to such date).

"Licensed Intellectual Property" means any interest of any Credit Party as licensee or sublicensee under any license of Intellectual Property from any other Person, other than any such interest that has been designated from time to time by Collateral Agent as not being required to be included in the Collateral.

"Licensor Consent and Estoppel" means, with respect to any Licensed Intellectual Property, a letter, certificate or other instrument in writing from the licensor under the related license, pursuant to which, among other things, the licensor consents to the granting of a Lien on such Licensed Property by the applicable Credit Party in favor of Collateral Agent pursuant to the Collateral Documents, such Licensor Consent and Estoppel to be in form and substance acceptable to Collateral Agent in its reasonable discretion.

"Lien" means (i) any lien, mortgage, pledge, assignment, security interest, charge or encumbrance of any kind (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, and any lease or license in the nature thereof) and any option, trust or other preferential arrangement having the practical effect of any of the foregoing and (ii) in the case of Securities, any purchase option, call or similar right of a third party with respect to such Securities.

"Management Agreement" means the management agreement dated July 8, 1986, between Griffon and Parent.

"Margin Stock" as defined in Regulation U of the Board of Governors as in effect from time to time.

"Material Adverse Effect" means a material adverse effect on and/or material adverse developments with respect to (i) the business, operations, properties, assets, condition (financial or otherwise) of Holdings and its Subsidiaries taken as a whole; (ii) the validity or enforceability of any material provisions of the Credit Document; or (iii) the Collateral, or Collateral Agent's Liens (on behalf of the Secured Parties) on the Collateral or the priority of such Liens or the material rights, remedies and benefits available to, or conferred upon, any Agent and any Lender or any Secured Party under the Credit Documents.

"**Material Acquisition**" means any acquisition, or a series of related acquisitions, whether by purchase, merger or otherwise, of Equity Interests in, or all or substantially all of the assets of, or all or substantially all of the assets constituting a business unit, division or line of business of, any Person, if the Acquisition Consideration therefor exceeds $1,000,000 in the aggregate. The Acquisition constitutes a Material Acquisition.

"Material Contract" means any contract or other arrangement to which Holdings or any of its Subsidiaries is a party (other than the Credit Documents) for which breach, nonperformance, cancellation or failure to renew could reasonably be expected to have a Material Adverse Effect.

"**Material Disposition**" means any sale, transfer or other disposition, or a series of related sales, transfers or other dispositions, of any assets, if the gross proceeds received therefrom exceed $1,000,000 in the aggregate.

"Material Indebtedness" means (a) Indebtedness under the Revolving Credit Agreement and (b) any other Indebtedness (other than the Term Loans), or obligations in respect of one or more Hedge Agreements, of one or more Group Members in an aggregate principal amount exceeding $15,000,000. For purposes of determining Material Indebtedness, the "principal amount" in respect of any Hedge Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that any Group Member would be required to pay if such Hedge Agreement were terminated at such time.

"Material Real Estate Asset'' means any fee-owned Real Estate Asset having a fair market value in excess of $100,000 as of the date of the acquisition thereof.

"Maturity Date" means September 30, 2016.

The **"Minimum Availability Condition"** shall be satisfied if Administrative Agent receives a Borrowing Base Certificate (as of a date, and in form and substance, reasonably satisfactory to the administrative agent under the Revolving Credit Agreement) demonstrating that, after giving effect to Transactions and all borrowings to be made on the Closing Date and the issuance of any letters of credit on the Closing Date under the Revolving Credit Agreement and payment of all Transaction Expenses, the Availability plus, to the extent not already included in the Borrowing Base, Cash of Borrower and Guarantor Subsidiaries, which Cash is unrestricted and unencumbered (except for Liens granted under the Revolving Credit Documents and the Credit Documents and non-consensual Permitted Encumbrances imposed under applicable law) shall not be less than $50,000,000. For the purposes of this definition, the terms "Borrowing Base Certificate" and "Borrowing Base" shall have the meanings assigned to such terms in the Revolving Credit Agreement.

"Moody's" means Moody's Investor Services, Inc.

"Mortgage" means a Mortgage substantially in the form of Exhibit J, as it may be amended, restated, supplemented or otherwise modified from time to time.

"Multiemployer Plan" means any Employee Benefit Plan which is a "multiemployer plan" as defined in Section 3(37) of ERISA.

"NAIC" means The National Association of Insurance Commissioners, and any successor thereto.

"Narrative Report" means, with respect to the financial statements for which such narrative report is required, a narrative report describing the operations of Holdings and its Subsidiaries (providing a summary of such operations consistent with disclosure that would be made by a public company registered with the SEC) for the applicable Fiscal Quarter or Fiscal Year and for the period from the beginning of the then current Fiscal Year to the end of such period to which such financial statements relate.

"Net Asset Sale Proceeds" means, with respect to any Asset Sale, an amount equal to: (i) Cash (which term, for the purposes of this definition, shall include Cash Equivalents) payments (including any Cash received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when so received) received

by Holdings or any of its Subsidiaries from such Asset Sale, minus (ii) any bona fide costs, fees and expenses incurred in connection with such Asset Sale, including (a) income or gains taxes payable (or reasonably and good faith estimated to be payable) by the seller as a result of any gain recognized in connection with such Asset Sale, (b) attorneys fees, accounting fees, investment banking fees and consulting fees incurred in connection with such Asset Sale, (c) payment of the outstanding principal amount of, premium or penalty, if any, and interest on any Indebtedness (other than the Term Loans and Indebtedness under the Revolving Credit Documents) that is secured by a Lien on the stock or assets in question and that is required to be repaid under the terms thereof as a result of such Asset Sale and (d) a reasonable escrow or reserve for any indemnification payments (fixed or contingent) attributable to seller's indemnities and representations and warranties to purchaser in respect of such Asset Sale undertaken by Holdings or any of its Subsidiaries in connection with such Asset Sale; provided that upon release of any such reserve, the amount released shall be considered Net Asset Sale Proceeds.

"Net Insurance/Condemnation Proceeds" means, with respect to any Insurance/Condemnation Event, an amount equal to: (i) any Cash (which term, for the purposes of this definition, shall include Cash Equivalents) payments or proceeds received by Holdings or any of its Subsidiaries (a) under any casualty insurance policy in respect of a covered loss thereunder or (b) as a result of the taking of any assets of Holdings or any of its 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 (ii) (a) any actual and reasonable costs, fees and expenses incurred by Holdings or any of its Subsidiaries in connection with the adjustment or settlement of any claims of Holdings or such Subsidiary in respect thereof, and (b) any bona fide costs, fees and expenses incurred in connection with any sale of such assets as referred to in clause (i)(b) of this definition, including, without limitation, income taxes payable (or reasonably and good faith estimated to be payable) as a result of any gain recognized in connection therewith and any attorneys fees incurred in connection with such Insurance/Condemnation Event.

"Non-Public Information" means information which has not been disseminated in a manner making it available to investors generally, within the meaning of Regulation FD.

"Non-US Lender" as defined in Section 2.17(c).

"Note" means a promissory note issued to any Lender pursuant to Section 2.4.

"Notice" means a Funding Notice, an Issuance Notice, or a Conversion/ Continuation Notice.

"Obligations" means all obligations of every nature of each Credit Party, including obligations from time to time owed to Agents (including former Agents), Arrangers, Lenders or any of them and Secured Hedge Counterparties (other than in each case any of the Revolving Secured Parties, in their capacities as such), under any Credit Document or Secured Hedge Agreement, whether for principal, interest (including interest which, but for the filing of a petition in bankruptcy with respect to such Credit Party, would have accrued on any Obligation, whether or not a claim is allowed against such Credit Party for such interest in the related

bankruptcy proceeding), payments for early termination of Secured Hedge Agreements, fees, expenses, indemnification or otherwise.

"Obligations Guarantee" means the guaranty of each Guarantor set forth in Section 7.

"Obligee Guarantor" as defined in Section 7.7.

"Organizational Documents" means (i) with respect to any corporation or company, its certificate, memorandum or articles of incorporation, organization or association, as amended, and its by-laws, as amended, (ii) with respect to any limited partnership, its certificate or declaration of limited partnership, as amended, and its partnership agreement, as amended, (iii) with respect to any general partnership, its partnership agreement, as amended, and (iv) with respect to any limited liability company, its articles of organization, as amended, and its operating agreement, as amended. In the event any term or condition of this Agreement or any other Credit 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.

"Parent" means Clopay Corporation, a Delaware corporation.

"PATRIOT Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"Pension Plan" means any Employee Benefit Plan, other than a Multiemployer Plan, which is subject to Section 412 of the Internal Revenue Code or Section 302 of ERISA.

"Perfection Certificate" means a certificate in form and substance reasonably satisfactory to Collateral Agent that provides information with respect Holdings, Borrower and each Domestic Subsidiary and their respective assets.

"Permitted Acquisition" means any acquisition (other than the Acquisition) by Borrower or any Guarantor Subsidiary, whether by purchase, merger or otherwise, of all or substantially all of the assets of, at least 51% of the Equity Interests in, or of all or substantially all of the assets constituting a business unit, division or line of business of, any Person; provided that:

(i) such acquisition shall be consummated in accordance with all applicable laws and in conformity with all applicable governmental authorizations, except where the failure to so comply would not reasonably be expected to have a Material Adverse Effect;

(ii) in the case of the acquisition of Equity Interests, (i) at least 51% of the Equity Interests acquired or otherwise issued by such Person or any newly formed Subsidiary of any Credit Party in connection with such acquisition shall be directly and beneficially

owned by a Credit Party and (ii) the Person whose Equity Interests are acquired shall become a Subsidiary and, unless such a Subsidiary is an Immaterial Subsidiary, a Guarantor and shall otherwise comply with the requirements of Section 5.13;

(iii) in the case of any acquisition of $10,000,000 or more (whether paid in cash, Securities, the assumption of debt or otherwise), the Borrower shall have delivered to Administrative Agent, at least five Business Days prior to such proposed acquisition, a certificate evidencing compliance with Section 6.6(d), together with a reasonably detailed description of such acquisition, including the aggregate Acquisition Consideration for such acquisition, and any other information reasonably required to demonstrate such compliance; and

(iv) such acquisition shall be consensual.

"Permitted Change of Control Transaction" means a "spin-off" transaction whereby all the Equity Interests in Holdings are "spun-off" from Parent to Griffon, and from Griffon ratably to the holders of all the Equity Interests in Griffon, pursuant to which Holdings ceases to be an indirect Subsidiary of Griffon and becomes a public company; provided that (i) any Indebtedness and liabilities of Griffon, Parent or their respective Affiliates (other than the Group Members) assumed by any Group Member in connection with such transaction must be expressly permitted to be assumed under Sections 6.1 and 6.2, (ii) prior to and immediately after giving effect to such transaction, (x) no Default shall have occurred and be continuing and (y) the Credit Parties and their respective Subsidiaries are in compliance with the covenants set forth in Section 6.11 on a Pro Forma Basis, as of the last day of the most recently ended Fiscal Quarter for which financial statements have been delivered pursuant to Section 5.1(a) or (b) (or, prior to the delivery of any such financial statements, the Fiscal Quarter ended June 30, 2010), and Borrower shall have delivered to Administrative Agent a certificate of an Authorized Officer to the effect set forth in clauses (x) and (y), together with reasonably detailed calculations of the Interest Coverage Ratio and the Leverage Ratio, (iii) any potential Tax liability incurred or assumed by any Group Member (either as a primary obligor or as a member of Griffon's or Parent's consolidated group) as a result of such spin-off transaction and/or related transactions could not reasonably be expected to have more than an immaterial adverse effect on the Group Members taken as a whole and (iv) any expenses related to or resulting from the accelerated vesting of any equity-based compensation program, time-vested management incentive program or management bonus program of Griffon, Holdings or its Affiliates in connection with such "spin-off" transaction shall be paid solely by Griffon or its Affiliates (other than the Group Members).

"Permitted Encumbrances" means:

(i) Liens imposed by law for taxes, assessments and governmental charges or claims that are not yet due and payable or are being contested in compliance with Section 5.4;

(ii) landlords', carriers', warehousemen's, mechanics', materialmen's, repairmen's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not material and not overdue by more than 30 days or are being contested in compliance with Section 5.4;

(iii) pledges, deposits and statutory trusts made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations;

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

(v) judgment liens in respect of judgments that do not constitute an Event of Default under clause (k) of Section 8;

(vi) easements, zoning restrictions, rights-of-way, licenses, covenants, other imperfections of title and similar encumbrances on or other matters affecting real property that do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of Holdings or any Subsidiary of Holdings;

(vii) with respect to any Leasehold Property, Liens placed upon or suffered by the landlord with respect to the underlying fee estate; and

(viii) other Liens or matters approved by Collateral Agent in any policy of title insurance issued in connection with any Mortgage for a Material Real Estate Asset;

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

"Permitted Subordinated Debt" means unsecured Indebtedness of Borrower for borrowed money which (a) matures no earlier than, and does not require any scheduled principal payments prior to, the date that is six months after the Maturity Date, (b) is not subject to any mandatory prepayment, redemption, repurchase, sinking fund or other similar obligation prior to the date that is six months after the Maturity Date, in each case that could require any payment on account of principal in respect thereof prior to the date that is six months after the Maturity Date, (c) is not guaranteed by any Group Member which is not a Guarantor, (d) is subordinated to the Obligations on terms and conditions reasonably satisfactory to Administrative Agent, (e) has terms and conditions (other than interest rate, redemption premiums and subordination terms), taken as a whole, that are not materially less favorable or more restrictive to Borrower than the terms and conditions customary at the time for high-yield subordinated debt securities issued in a public offering (except to the extent otherwise approved by Administrative Agent) and (f) has terms and conditions (other than interest rate, redemption premiums and subordination terms), taken as a whole, that are not materially less favorable or more restrictive to Borrower than the terms and conditions contained in this Agreement; provided that prior to and immediately after giving effect to such transaction, no Default shall have occurred and be continuing.

"Person" means and includes natural persons, corporations, limited partnerships, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, Joint Ventures, associations, companies, trusts, banks, trust companies, land trusts,

business trusts or other organizations, whether or not legal entities, and Governmental Authorities.

"Platform" as defined in Section 5.1.

"Pledged Collateral" as defined in the Pledge and Security Agreement.

"Pledge and Security Agreement" means the Pledge and Security Agreement to be executed by Collateral Agent, Borrower and each Guarantor substantially in the form of Exhibit H, as it may be amended, restated, supplemented or otherwise modified from time to time.

"Prime Rate" means the rate of interest quoted in the print edition of *The Wall Street Journal*, Money Rates Section, as the Prime Rate (currently defined as the base rate on corporate loans posted by at least 75% of the nation's thirty (30) largest banks), as in effect from time to time. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. Any Agent or any other Lender may make commercial loans or other loans at rates of interest at, above or below the Prime Rate.

"Principal Office" means, for each of Administrative Agent and Collateral Agent, such Person's "Principal Office" as set forth on Schedule 10.1, or such other office of a third party or sub-agent, as appropriate, as such Person may from time to time designate in writing to Borrower, Administrative Agent and each Lender.

"Projections" as defined in Section 4.5.

"Pro Forma Basis" means, for purposes of determining compliance with Section 6.11, as of the last day of a Fiscal Quarter (the **"Compliance Date"**) as a condition to any proposed action or event hereunder (the **"Proposed Action"**), the calculation of such compliance on the following basis:

(i) Consolidated Adjusted EBITDA for the period of four consecutive Fiscal Quarters ended on the Compliance Date shall be determined on a pro forma basis in accordance with Section 6.11(c) to give effect to any Material Acquisition or Material Disposition made subsequent to the Compliance Date (including any Material Acquisition or Material Disposition being made in connection with the Proposed Action) as though made on the first day of such period of four consecutive Fiscal Quarters.

(ii) The Leverage Ratio as of the Compliance Date shall be determined as if Consolidated Total Debt as of the Compliance Date were equal to Consolidated Total Debt as of the date of and after giving effect to the Proposed Action (including any incurrence or payment of Indebtedness in connection therewith).

(iii) Consolidated Interest Expense for the period of four consecutive Fiscal Quarters ended on the Compliance Date shall be determined on a pro forma basis in accordance with Section 6.11(c) to give effect to any Indebtedness as though (i) any Indebtedness incurred pursuant to Section 6.1(a)(xii), or any other Indebtedness incurred in connection with the Permitted Change of Control Transaction, any Permitted Acquisition or

Restricted Payment, in each case issued or incurred after the Compliance Date (including any such Indebtedness being issued or incurred in connection with the Proposed Action), had been issued or incurred on the first day of such period of four consecutive Fiscal Quarters and (ii) any Indebtedness refinanced or repaid after the Compliance Date (including any Indebtedness being refinanced or repaid in connection with the Proposed Action), to the extent refinanced or repaid with the proceeds of any Indebtedness included in the determination pursuant to clause (i) above, had been refinanced or repaid on the first day of such period of four consecutive Fiscal Quarters.

"Pro Forma Financial Statements" means the pro forma financial statements referred to in Section 3.1(i)(ii).

"Pro Rata Share" of any Lender means the percentage obtained by dividing (i) the Term Loan Exposure of that Lender by (ii) the aggregate Term Loan Exposure of all Lenders.

"Public Lenders" means Lenders that do not wish to receive material non-public information with respect to Griffon, Holdings, their respective Subsidiaries or their respective securities.

"Purchase Agreement" means the stock purchase agreement dated July 19, 2010, among CHATT Holdings LLC, a Delaware limited liability company, CHATT Holdings Inc., a Delaware corporation, Acquisition Sub and, solely for purposes of Section 7.09 thereof, Griffon.

"Real Estate Asset" means, at any time of determination, any interest (fee, leasehold or otherwise) then owned by any Credit Party in any real property.

"Refinancing Indebtedness" means, in respect of any Indebtedness (the **"Original Indebtedness"**), any Indebtedness that extends, amends, restates, renews or refinances such Original Indebtedness (or any Refinancing Indebtedness in respect thereof); provided that (a) the principal amount of such Refinancing Indebtedness shall not exceed the principal amount of such Original Indebtedness except by an amount no greater than accrued and unpaid interest with respect to such Original Indebtedness and any premiums and other reasonable amounts paid and fees and expenses incurred in connection therewith; provided that clause (a) shall not apply to Refinancing Indebtedness in respect of the Revolving Credit Documents; (b) the stated final maturity of such Refinancing Indebtedness shall not be earlier, and the weighted average life to maturity of such Refinancing Indebtedness shall not be shorter, than that of such Original Indebtedness; (c) such Refinancing Indebtedness shall not be required to be repaid, prepaid, redeemed, repurchased or defeased, whether on one or more fixed dates, upon the occurrence of one or more events or at the option of any holder thereof (except, in each case, upon the occurrence of an event of default or a change in control or as and to the extent such repayment, prepayment, redemption, repurchase or defeasance would have been required pursuant to the terms of such Original Indebtedness) prior to the earlier of (i) the maturity of such Original Indebtedness and (ii) the date six months after the Maturity Date as of the time of such extension, renewal or refinancing; (d) such Refinancing Indebtedness shall not constitute an obligation (including pursuant to a Guarantee) of any Subsidiary that shall not have been (or, in

the case of after-acquired Subsidiaries, shall not have been required to become) an obligor in respect of such Original Indebtedness; (e) if such Original Indebtedness shall have been subordinated to the Obligations, such Refinancing Indebtedness shall also be subordinated to the Obligations on terms not less favorable in any material respect to the Lenders; (f) such Refinancing Indebtedness shall not be secured by any Lien on any asset other than the assets that secured such Original Indebtedness (or would have been required to secure such Original Indebtedness pursuant to the terms thereof) or, in the event Liens securing such Original Indebtedness shall have been contractually subordinated to any Lien securing the Obligations, by any Lien that shall not have been contractually subordinated to at least the same extent; and (g) in the case of Refinancing Indebtedness in respect of the Revolving Credit Documents, (i) no Default shall have occurred and be continuing, (ii) the borrower thereunder shall be Borrower, (iii) such Refinancing Indebtedness and the Liens securing such Refinancing Indebtedness are subject to the Intercreditor Agreement, (iv) such Refinancing Indebtedness shall not have financial covenants that are more restrictive than those under the Revolving Credit Agreement as of the Closing Date, (v) such Refinancing Indebtedness shall not have a "Change of Control" (or any defined term having a similar purpose) that is materially more restrictive than the definition of Change of Control set forth herein, (vi) such Refinancing Indebtedness is not Guaranteed by any Subsidiary which is not a Guarantor, (vii) such Refinancing Indebtedness is an asset-based revolving credit facility, (viii) such Refinancing Indebtedness shall not include any restrictions or conditions on mandatory prepayments of Term Loans other than any that were included in the Revolving Credit Agreement on the Closing Date and (ix) the maximum commitments and principal amounts of such Refinancing Indebtedness shall not exceed the amount permitted by Section 6.1(a)(i).

"Register" as defined in Section 2.4(b).

"Regulation D" means Regulation D of the Board of Governors, as in effect from time to time.

"Regulation FD" means Regulation FD as promulgated by the SEC under the Securities Act and Exchange Act as in effect from time to time.

"Related Agreements" means, collectively, the Purchase Agreement and the equity commitment letter, dated July 19, 2010, between Griffon and Acquisition Sub.

"Related Fund" means, with respect to any Lender that is an investment fund, any other investment fund that invests in commercial loans and that is managed or advised by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the directors, officers, partners, members, trustees, employees, controlling persons, agents and advisors of such Person and of 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 or disposal of any barrels, containers or other closed receptacles containing any Hazardous

Material), including the movement of any Hazardous Material through the air, soil, surface water or groundwater.

"Replacement Lender" as defined in Section 2.19.

"Requisite Lenders" means, at any time, Lenders having or holding Term Loan Exposure representing more than 50% of the aggregate Term Loan Exposure of all Lenders.

"Restricted Payment" means (a) any dividend or other distribution, direct or indirect (whether in cash, securities or other property), with respect to any Equity Interests in any Group Member or (b) any payment, direct or indirect (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of, or any other return of capital with respect to, any such Equity Interests in any Group Member, or, prior to the Permitted Change of Control Transaction, Griffon or any of its Subsidiaries, or any option, warrant or other right to acquire any such Equity Interests in any Group Member, or, prior to the Permitted Change of Control Transaction, Griffon or any of its Subsidiaries or (c) any payments to Griffon or any of its Affiliates (other than Group Members) in respect of fees or in respect of any Indebtedness owing to Griffon or any of its Affiliates (other than Group Members).

"Revolving Collateral Agent" means JPMorgan Chase Bank, N.A., in its capacity as collateral agent under the Revolving Credit Documents and, after any Permitted Refinancing of the Revolving Credit Agreement, the collateral agent or similar representative with respect to such Permitted Refinancing.

"Revolving Credit Agreement" means (a) the Revolving Credit Agreement dated as of the date hereof among Borrower, Holdings and certain Subsidiaries of Borrower party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent and collateral agent or (b) the agreement governing the Refinancing Indebtedness in respect thereof.

"Revolving Credit Documents" means the Revolving Credit Agreement and the other "Credit Documents" (as defined therein).

"Revolving Loans" means the loans under the Revolving Credit Agreement.

"Revolving Secured Parties" has the meaning assigned to the term "Secured Parties" in the Revolving Credit Agreement.

"S&P" means Standard & Poor's Financial Services LLC, or any successor to its rating agency business.

"SEC" means the United States Securities and Exchange Commission, or any successor thereto.

"Second Priority" means, with respect to any Lien purported to be created in any Collateral pursuant to any Collateral Document, that such Lien is perfected and has priority over all other Liens to which such Collateral is subject, other than (a) First Priority Liens to which

such Collateral is subject that are permitted hereby and are subject to the Intercreditor Agreement and (b) any Permitted Encumbrances.

"Secured Hedge Agreement" means any Interest Rate Agreement entered into by Borrower that (a) is with a counterparty that is, or was on the Closing Date, an Agent, an Arranger or any Affiliate of any of the foregoing, whether or not such counterparty shall have been an Agent, an Arranger or any Affiliate of any of the foregoing at the time such Hedge Agreement was entered into, (b) is in effect on the Closing Date with a counterparty that is a Lender or an Affiliate of a Lender as of the Closing Date or (c) is entered into after the Closing Date with any counterparty that is a Lender or an Affiliate of a Lender at the time such Hedge Agreement is entered into.

"Secured Hedge Counterparty" each Secured Party that is a party to a Secured Hedge Agreement.

"Secured Hedge Obligations" means all obligations of every nature of Borrower under each Secured Hedge Agreement, whether for interest (including interest that, but for the filing of a petition in bankruptcy with respect to Borrower, would have accrued on any such obligation, whether or not a claim is allowed against Borrower for such interest in the related bankruptcy proceeding), payments for early termination of such Hedge Agreement, fees, expenses, indemnification or otherwise; provided that the obligations under any Secured Hedge Agreement shall not be included as a "Secured Hedge Obligation" unless and until Borrower or the applicable Secured Hedge Counterparty has provided written notice to Collateral Agent of the existence of such obligation.

"Secured Parties" has the meaning assigned to that term in the Pledge and Security Agreement.

"Securities" means any stock, shares, 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.

"Securities Act" means the Securities Act of 1933, as amended from time to time, and any successor statute.

"Senior Notes" means the 10% Senior Subordinated Notes due 2012, issued by the Acquired Company and the Floating Rate Notes, in each case pursuant to the applicable Senior Notes Indentures.

"Senior Notes Indentures" means (i) the Indenture for 10% Senior Subordinated Notes due 2012, dated June 28, 2004, by and among the Acquired Company, as Issuer, ATT Holding Co., as Guarantor and The Bank of New York, as Trustee, and the Supplemental Indenture, to the Indenture dated June 28, 2004, dated as of December 17, 2007, among Ames U.S. Holding Corp, Ames Holdings, Inc., Ames True Temper Properties, Inc., Ames True

Temper, Inc., ATT Holding Co. and The Bank of New York, as Trustee and (ii) the Floating Rate Notes Indenture.

"Senior Notes Redemption Date" as defined in Section 3.1(e).

"Solvency Certificate" means a Solvency Certificate of the chief financial officer of Holdings substantially in the form of Exhibit F-2.

"Solvent" means, with respect to any Person, that as of the date of determination, (a) the sum of such Person's debt and other liabilities (including contingent liabilities) does not exceed the present fair saleable value of such Person's present assets, (b) such Person's capital is not unreasonably small in relation to its business as contemplated on the Closing Date and reflected in the Projections or with respect to any transaction contemplated to be undertaken after the Closing Date, (c) such Person has not incurred and does not intend to incur, or believe (nor should it reasonably believe) that it will incur, debts and liabilities (including contingent liabilities) beyond its ability to pay such debts and liabilities as they become due (whether at maturity or otherwise), and (d) such Person is "solvent" within the meaning given that term and similar terms under the Bankruptcy Code and applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under GAAP).

"Specified Representations" means the following: (a) the representations and warranties made by or with respect to the Acquired Business in the Purchase Agreement as are material to the interests of the Lenders, but only to the extent that Acquisition Sub has the right to terminate its obligations under the Purchase Agreement as a result of a breach of such representations in the Purchase Agreement, (b) the representations and warranties set forth in Sections 4.1, 4.2, 4.3, 4.10, 4.14, 4.19, 4.22 and 4.24 made by or with respect to the Acquired Business and its Subsidiaries and (c) the representations and warranties set forth in Article III of the Pledge and Security Agreement made by or with respect to the Acquired Business.

"Subsidiary" means, with respect to any Person, any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than 50% of the total voting power of the Equity Interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by such Person, one or more of the other Subsidiaries of such Person or a combination thereof; provided that in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interest in the nature of a "qualifying share" of the former Person shall be deemed to be outstanding.

"Swingline Loans" means the swingline loans made under the Revolving Credit Agreement.

"Syndication Agents" means GSLP and DBSI, in their capacities as co-syndication agents for the term loan facility established hereunder.

"Tax" means any present or future tax, levy, impost, duty, assessment, charge, fee, deduction or withholding of any nature and whatever called, by whomsoever, on whomsoever and wherever imposed, levied, collected, withheld or assessed; provided that "Tax on the overall net income" of a Person shall be construed as a reference to a tax imposed by the jurisdiction in which that Person is organized or in which that Person's applicable principal office (and/or, in the case of a Lender, its lending office) is located or in which that Person (and/or, in the case of a Lender, its lending office) is deemed to be doing business on all or part of the net income, profits or gains (whether worldwide, or only insofar as such income, profits or gains are considered to arise in or to relate to a particular jurisdiction, or otherwise) of that Person (and/or, in the case of a Lender, its applicable lending office) or any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction described above on or measured by the net income, profits or gains of such Person.

"Term Collateral" as defined in the Intercreditor Agreement.

"Term Loan" means a loan made by a Lender to Borrower pursuant to Section 2.1(a).

"Term Loan Commitment" means, with respect to any Lender, the commitment, if any, of such Lender to make a Term Loan hereunder in a principal amount not to exceed the amount set forth under the heading "Term Loan Commitment" opposite such Lender's name set forth on Schedule 2.1 or in the applicable Assignment Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Term Loan Commitments as of the Closing Date is $375,000,000.

"Term Loan Exposure" means, with respect to any Lender, as of any date of determination, the outstanding principal amount of the Term Loans of such Lender; provided, at any time prior to the making of the Term Loans, the Term Loan Exposure of any Lender shall be equal to such Lender's Term Loan Commitment.

"Terminated Lender" as defined in Section 2.19.

"Transaction Costs" means the fees, costs and expenses payable by Holdings, Borrower or any of Borrower's Subsidiaries in connection with the Transactions.

"Transactions" means (a) the execution, delivery and performance by each Credit Party of the Credit Documents to which it is to be a party, the creation of the Liens provided for in the Collateral Documents and, in the case of Borrower, the borrowing of Term Loans and the use of the proceeds thereof in accordance with the terms hereof, (b) the Acquisition and the other transactions contemplated by the Purchase Agreement, (c) the execution, delivery and performance by each Credit Party of the Revolving Credit Documents, (d) repayment in full of all obligations under the Existing Debt Agreements, the termination of all commitments thereunder and the releases of all Guarantees and Liens in respect thereof and (e) the payment of the Transaction Costs.

"Type of Term Loan" means, with respect to a Term Loan, its character as a Base Rate Term Loan or a Eurodollar Rate Term Loan.

"UCC" means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect from time to time in any applicable jurisdiction.

"**U.S. Lender**" as defined in Section 2.17(c).

"**Wholly-Owned**", when used in reference to a Subsidiary of any Person, means that all the Equity Interests in such Subsidiary (other than directors' qualifying shares and other nominal amounts of Equity Interests that are required to be held by other Persons under applicable law) are owned, beneficially and of record, by such Person, another Wholly-Owned Subsidiary of such Person or any combination thereof.

1.2. Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if Borrower notifies Administrative Agent that Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Requisite Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, 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 any election under Statement of Financial Accounting Standards 159 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of Holdings, Borrower or any Subsidiary at "fair value", as defined therein.

1.3. Interpretation, Etc. Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. References herein to any Article, Section, Schedule or Exhibit shall be to an Article or a Section of, or a Schedule or an Exhibit to, this Agreement, unless otherwise specifically provided. The use herein of the words "include" 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 "lease" and "license" shall be construed to include sub-lease and sub-license, as applicable. The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all real and personal, tangible and intangible assets and properties, including cash, securities, accounts and contract rights. The word "law" shall be construed as referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply), and all judgments, orders, writs and decrees, of all Governmental Authorities. Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document (including this Agreement) shall be construed as referring to such agreement, instrument or other document as from time to time amended,

supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws), (c) any reference herein to any Person shall be construed to include such Person's successors and assigns (subject to any restrictions on assignment set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all functions thereof, and (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof.

1.4. Classification of Term Loans and Borrowings. For purposes of this Agreement, Term Loans and Borrowings may be classified and referred to by Type (e.g., a "Eurodollar Rate Term Loan" or "Eurodollar Rate Borrowing").

SECTION 2. TERM LOANS

2.1. Term Loans. (a) Term Loan Commitments. Subject to the terms and conditions hereof, each Lender severally agrees to make, on the Closing Date, a Term Loan to Borrower in an amount equal to such Lender's Term Loan Commitment. Amounts borrowed pursuant to this Section 2.1(a) that are subsequently repaid or prepaid may not be reborrowed. Subject to Sections 2.10(a) and 2.11, all amounts owed hereunder shall be paid in full no later than the Maturity Date. Each Lender's Term Loan Commitment shall terminate immediately and without any further action on the Closing Date upon the making of a Term Loan by such Lender.

(b) Borrowing Mechanics for Term Loans.

(i) Borrower shall deliver to Administrative Agent a fully completed and executed Funding Notice no later than three days prior to the Closing Date, in the case of a funding request that includes any Eurodollar Rate Borrowings, or one Business Day prior to the Closing Date, otherwise. Promptly upon receipt by Administrative Agent of such Funding Notice, Administrative Agent shall notify each Lender of the proposed borrowing.

(ii) Each Lender shall make the principal amount of the Term Loan required to be made by it hereunder available to Administrative Agent not later than 12:00 p.m. (New York City time) on the Closing Date, by wire transfer of same day funds in Dollars, to the account of Administrative Agent most recently designated by Administrative Agent for such purpose by notice to the Lenders. Upon satisfaction or waiver of the conditions precedent specified herein, Administrative Agent shall thereupon make the proceeds of the Term Loans available to Borrower on the Closing Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Loans received by Administrative Agent from Lenders to be credited to the account of Borrower designated in writing by Borrower in the Funding Notice.

2.2. Pro Rata Shares; Availability of Funds. (a) Pro Rata Shares. All Term Loans shall be made by Lenders proportionately to their respective Pro Rata Shares, it being understood

that (i) no Lender shall be responsible for any default by any other Lender in such other Lender's obligation to make a Term Loan requested hereunder and (ii) no Term Loan Commitment of any Lender shall be increased or decreased as a result of a default by any other Lender in such other Lender's obligation to make a Term Loan requested hereunder.

(b) Availability of Funds. Unless Administrative Agent shall have been notified by any Lender prior to the Closing Date that such Lender does not intend to make available to Administrative Agent the amount of such Lender's Term Loan requested to be made on the Closing Date, Administrative Agent may assume that such Lender has made such amount available to Administrative Agent on the Closing Date and Administrative Agent may, in its sole discretion, but shall not be obligated to, make available to Borrower a corresponding amount on the Closing Date. If such corresponding amount is not in fact made available to Administrative Agent by such Lender, then such Lender and the Borrower severally agree to pay to Administrative Agent such corresponding amount forthwith on demand 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 such payment to Administrative Agent, at (i) in the case of a payment to be made by such Lender, (A) at any time prior to the third Business Day following the date such amount is made available to the Borrower, the customary rate set by Administrative Agent for the correction of errors among banks and (B) thereafter, the Base Rate or (ii) in the case of a payment to be made by the Borrower, the interest rate applicable hereunder to Base Rate Term Loans. If such Lender pays such amount to Administrative Agent, then such amount shall constitute such Lender's Term Loan included in the applicable Borrowing. Nothing in this Section 2.2(b) shall be deemed to relieve any Lender from its obligation to fulfill its Term Loan Commitment or to prejudice any rights that Borrower may have against any Lender as a result of any default by such Lender hereunder.

2.3. Use of Proceeds. The Borrower shall use the proceeds of the Term Loans to (i) fund the Acquisition, (ii) pay Transaction Costs and (iii) pay all principal, premium, if any, interest, fees and other amounts due or outstanding under the Existing Debt Agreements. Borrower agrees that no portion of the proceeds of any Term Loan shall be used in any manner that causes such Term Loan or the application of such proceeds to violate Regulation T, Regulation U or Regulation X of the Board of Governors or any other regulation thereof or to violate the Exchange Act.

2.4. Evidence of Debt; Register; Lenders' Books and Records; Notes . (a) Lenders' Evidence of Debt. Each Lender shall maintain records evidencing the Obligations of Borrower owing to such Lender, including the principal amounts of the Term Loans made by such Lender and each repayment and prepayment in respect thereof. Such records maintained by any Lender shall be conclusive and binding on Borrower, absent manifest error; provided that the failure to maintain any such records, or any error therein, shall not in any manner affect any Lender's Term Loan Commitments or Borrower's Obligations in respect of any applicable Term Loans; and provided further in the event of any inconsistency between the Register and any Lender's records, the recordations in the Register shall govern.

(b) Register. Administrative Agent (or its agent or sub-agent appointed by it) shall maintain at one of its offices a register for the recordation of the names and addresses of Lenders and the principal amount of the Term Loans owing to each Lender from time to time (the **"Register"**). The Register shall be available for inspection by Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice. Administrative Agent shall record, or shall cause to be recorded, in the Register the Term Loans in accordance with the provisions of Section 10.6, and each repayment or prepayment in respect of the principal amount of the Term Loans, and any such recordation shall be conclusive and binding on Borrower and each Lender, absent manifest error; provided that failure to make any such recordation, or any error in such recordation, shall not affect the obligation of Borrower to pay any amounts due hereunder. Borrower hereby designates the Person serving as Administrative Agent to serve as Borrower's agent solely for purposes of maintaining the Register as provided in this Section 2.4, and Borrower hereby agrees that, to the extent such Person serves in such capacity, such Person and its Related Parties shall constitute "Indemnitees."

(c) Notes. If so requested by any Lender by written notice to Borrower (with a copy to Administrative Agent) at least two Business Days prior to the Closing Date, or promptly following the request of any Lender at any time after the Closing Date, Borrower shall prepare, execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, such Lender and its registered assigns) to evidence such Lender's Term Loans, which promissory note shall be in a form approved by the Administrative Agent and the Borrower.

2.5. Interest on Term Loans. (a) Subject to Section 2.7, each Term Loan shall bear interest on the outstanding principal amount thereof from the date made through repayment (whether by acceleration or otherwise) thereof as follows:

(i) if a Base Rate Term Loan, at the Base Rate plus the Applicable Margin; or

(ii) if a Eurodollar Rate Term Loan, at the Adjusted Eurodollar Rate plus the Applicable Margin.

(b) The basis for determining the rate of interest with respect to any Term Loan and the Interest Period with respect to any Eurodollar Rate Term Loan, shall be selected by Borrower and notified to Administrative Agent and Lenders pursuant to the applicable Funding Notice or Conversion/Continuation Notice.

(c) In connection with Eurodollar Rate Term Loans there shall be no more than five (5) Interest Periods outstanding at any time. In the event Borrower fails to specify between a Base Rate Term Loan or a Eurodollar Rate Term Loan in the applicable Funding Notice or Conversion/Continuation Notice, or in the event Borrower fails to deliver a Conversion/Continuation Notice with respect to any Eurodollar Rate Borrowing prior to the end of the Interest Period applicable thereto in accordance with Section 2.6, such Term Loan (if outstanding as a Eurodollar Rate Term Loan) will be automatically converted into a Base Rate Term Loan on the last day of the then-current Interest Period

for such Term Loan (or if outstanding as a Base Rate Term Loan will remain as, or (if not then outstanding) will be made as, a Base Rate Term Loan). In the event Borrower fails to specify an Interest Period for any Eurodollar Rate Term Loan in the applicable Funding Notice or Conversion/Continuation Notice, Borrower shall be deemed to have selected an Interest Period of one month. The applicable Base Rate or Adjusted Eurodollar Rate shall be determined by Administrative Agent, and such determination shall be conclusive and binding on the parties hereto, absent manifest error.

(d) Interest payable pursuant to Section 2.5(a) or 2.7 shall be computed (i) in the case of Base Rate Term Loans on the basis of a 365-day or 366-day year, as the case may be, and (ii) in the case of Eurodollar Rate Term Loans, on the basis of a 360-day year, in each case for the actual number of days elapsed in the period during which it accrues. In computing interest on any Term Loan, the date of the making of such Term Loan or the first day of an Interest Period applicable to such Term Loan or, with respect to a Base Rate Term Loan being converted from a Eurodollar Rate Term Loan, the date of conversion of such Eurodollar Rate Term Loan to such Base Rate Term Loan, as the case may be, shall be included, and the date of payment of such Term Loan or the expiration date of an Interest Period applicable to such Term Loan or, with respect to a Base Rate Term Loan being converted to a Eurodollar Rate Term Loan, the date of conversion of such Base Rate Term Loan to such Eurodollar Rate Term Loan, as the case may be, shall be excluded; provided that if a Term Loan is repaid on the same day on which it is made, one day's interest shall accrue on such Term Loan.

Except as otherwise set forth herein, accrued interest on the Term Loans shall be payable in arrears (i) on each Interest Payment Date applicable to such Term Loan; (ii) upon any repayment or prepayment of the Term Loans, whether voluntary or mandatory, to the extent accrued on the amount being repaid or prepaid; and (iii) on the Maturity Date.

2.6. Conversion/Continuation. (a) Subject to Section 2.15 and so long as no Default shall have occurred and then be continuing, Borrower shall have the option:

(i) to convert at any time all or any part of any Borrowing equal to $5,000,000 and integral multiples of $1,000,000 in excess of that amount from one Type of Term Loan to another Type of Term Loan; provided, a Eurodollar Rate Term Loan may only be converted on the expiration of the Interest Period applicable to such Eurodollar Rate Term Loan unless Borrower shall pay all amounts due under Section 2.15 in connection with any such conversion; or

(ii) upon the expiration of any Interest Period applicable to any Eurodollar Rate Borrowing, to continue all or any portion of such Borrowing equal to $5,000,000 and integral multiples of $1,000,000 in excess of that amount as a Eurodollar Rate Borrowing.

In the event any Borrowing shall have been converted or continued in accordance with this Section 2.6 in part, such conversion or continuation shall be allocated ratably, in accordance with the Pro Rata Shares, among the Lenders holding the Term Loans comprising such Borrowing,

and the Term Loans comprising each part of such Borrowing resulting from such conversion or continuation shall be considered a separate Borrowing.

(b) Borrower shall deliver a Conversion/Continuation Notice to Administrative Agent no later than 11:00 a.m. (New York City time) (i) at least one Business Day in advance of the proposed Conversion/Continuation Date, in the case of a conversion to a Base Rate Borrowing and (ii) at least three Business Days in advance of the proposed Conversion/Continuation Date, in the case of a conversion to, or a continuation of, a Eurodollar Rate Borrowing. Except as otherwise provided herein, a Conversion/Continuation Notice for conversion to, or continuation of, any Eurodollar Rate Borrowing shall be irrevocable on and after the Interest Rate Determination Date with respect to the Interest Period requested, or deemed requested, for such Borrowing, and Borrower shall be bound to effect a conversion or continuation in accordance therewith. If on any day a Term Loan is outstanding with respect to which a Funding Notice or Conversion/Continuation Notice has not been delivered to Administrative Agent in accordance with the terms hereof specifying the applicable basis for determining the rate of interest, then for that day such Term Loan shall be a Base Rate Term Loan.

2.7. Default Interest. (a) Upon the occurrence and during the continuance of an Event of Default, the principal amount of all Term Loans outstanding and, to the extent permitted by applicable law, any interest payments on the Term Loans or any fees or other amounts owed hereunder, shall thereafter bear interest (including post-petition interest in any proceeding under the Bankruptcy Code or other applicable bankruptcy laws) payable on demand at a rate that is 2% per annum in excess of the interest rate otherwise payable hereunder with respect to the applicable Term Loans (or, in the case of any such fees and other amounts, at a rate which is 2% per annum in excess of the interest rate otherwise payable hereunder for Base Rate Term Loans); provided, in the case of Eurodollar Rate Term Loans, upon the expiration of the Interest Period in effect at the time any such increase in interest rate is effective, such Eurodollar Rate Term Loans shall thereupon become Base Rate Term Loans and shall thereafter bear interest payable upon demand at a rate which is 2% per annum in excess of the interest rate otherwise payable hereunder for Base Rate Term Loans. Payment or acceptance of the increased rates of interest provided for in this Section 2.7 is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Administrative Agent or any Lender.

2.8. Fees. (a) Borrower agrees to pay on the Closing Date to each Lender party hereto as a Lender on the Closing Date, as fee compensation for the funding of such Lender's Term Loan, a closing fee in an amount equal to 2.00% of such Lender's Term Loan Commitment as of the Closing Date, payable to such Lender from the proceeds of its Term Loan as and when funded on the Closing Date. Such closing fee will be in all respects fully earned, due and payable on the Closing Date and non-refundable and non-creditable thereafter.

(b) In addition to any of the foregoing fees, Borrower agrees to pay to Agents such other fees in the amounts and at the times separately agreed upon by Borrower (or Parent or Acquisition Sub) and the applicable Agent in writing.

(c) Notwithstanding anything to the contrary contained herein, (i) all prepayments of Term Loans effected with the proceeds of a substantially concurrent issuance or incurrence of Indebtedness (including any replacement or incremental term loan facility effected pursuant to an amendment of this Agreement) or repriced (or effectively refinanced) through any amendment to the Term Facility, in each case having an interest rate spread (whether designated as "applicable rate" or otherwise, and including in such interest rate spread any original issue discount for, and any upfront fees payable in connection with, such Indebtedness based on an assumed four-year average life of such Indebtedness) that is, or upon satisfaction of the specified conditions could be, less than the Applicable Margin in respect of such Term Loans (based on the definition of the term Applicable Margin as in effect on the Closing Date) and (ii) all voluntary prepayments of Term Loans, in each case effected on or prior to the first anniversary of the Closing Date, shall be accompanied by a prepayment fee equal to 1.00% of the aggregate principal amount of such prepayment. Such fee shall be paid by the Borrower to the Administrative Agent, for the account of the Lenders, on the date of such prepayment.

2.9. Scheduled Payments. The principal amounts of the Term Loans shall be repaid in consecutive quarterly installments and at final maturity (each such payment, including the payment due on the Maturity Date, an **"Installment"**) on the four quarterly scheduled Interest Payment Dates applicable to Base Rate Term Loans, commencing on December 31, 2010, with each such Installment (other than the Installment due on the Maturity Date) to be in an amount equal to 1.25% of the aggregate principal amount of the Term Loans made on the Closing Date, and the amount of the Installment due on the Maturity Date to be in an amount equal to the aggregate principal amount of the Term Loans outstanding on the Maturity Date.

The Installments shall be reduced in connection with any voluntary or mandatory prepayments of the Term Loans in accordance with Sections 2.10, 2.11 and 2.12, as applicable.

2.10. Voluntary Prepayments. (a) Subject to the conditions set forth in this Section 2.10 and Section 2.15, at any time and from time to time, Borrower may prepay any Borrowing on any Business Day in whole or in part; provided that each such partial voluntary prepayment of any Borrowing shall be in an aggregate minimum principal amount of $5,000,000 and integral multiples of $1,000,000 in excess of that amount.

(b) All such prepayments shall be made:

(i) upon not less than one Business Day's prior written or telephonic notice in the case of a Base Rate Borrowing; and

(ii) upon not less than three Business Days' prior written or telephonic notice in the case of a Eurodollar Rate Borrowing,

in each case given to Administrative Agent by 12:00 p.m. (New York City time) on the date required and, if given by telephone, promptly confirmed by delivery of written notice thereof to Administrative Agent (and Administrative Agent will promptly transmit such original notice by telefacsimile or telephone to each Lender). Each such notice shall be irrevocable, and the

principal amount of each Borrowing specified in such notice shall become due and payable on the prepayment date specified therein; provided that a notice of prepayment of Borrowings pursuant to Section 2.10(b) may state that such notice is conditioned upon the occurrence (or non-occurrence) of one or more events specified therein, in which case such notice may be revoked by Borrower (by notice to the Administrative Agent on or prior to the specified date of prepayment) if such condition is not satisfied. Any such voluntary prepayment shall be applied as specified in Section 2.12(a).

(c) Certain Permitted Term Loan Repurchases. Notwithstanding anything to the contrary contained in this Section 2.10 or any other provision of this Agreement, so long as no Default has occurred and is continuing or would result therefrom, Borrower may repurchase outstanding Term Loans on the following basis:

(i) On or prior to the fourth anniversary of the Closing Date, Borrower may conduct one or more modified Dutch auctions (each, an **"Auction"**) to repurchase all or any portion of the Term Loans not to exceed $200,000,000 (excluding accrued interest) in aggregate par value (such Term Loans, the **"Offer Loans"**) of Lenders, provided that (A) Borrower delivers a notice to Administrative Agent (for distribution to the Lenders) no later than noon (New York City time) at least five Business Days in advance of a proposed consummation date of such Auction indicating (1) the date on which the Auction will conclude, (2) the maximum principal amount of Term Loans Borrower is willing to purchase in the Auction and (3) the range of discounts to par at which Borrower would be willing to repurchase the Offer Loans; (B) the maximum dollar amount of the Auction shall be no less than an aggregate $5,000,000 or an integral multiple of $5,000,000 in excess thereof; (C) Borrower shall hold the Auction open for a minimum period of two Business Days; (D) a Lender who elects to participate in the Auction may choose to tender all or part of such Lender's Offer Loans; (E) the Auction shall be made to Lenders holding the Offer Loans on a pro rata basis in accordance with their Pro Rata Shares; (F) the proceeds of Revolving Loans may not be used to fund any repurchase under this Section 2.10(c) (it being understood that the existence of any borrowed or outstanding Revolving Loans at or about the time of any such repurchase, if such Revolving Loans were not intended to be used to fund any repurchase of the Term Loans, shall not, in and of itself, mean that such repurchase is being funded with the proceeds of Revolving Loans); (G) before and after giving effect to the repurchase, the Availability (if any) plus, to the extent not already included in determining the Availability, Cash of Borrower and Guarantor Subsidiaries, which Cash is unrestricted and unencumbered (except for Liens granted under the Revolving Credit Documents and the Credit Documents and non-consensual Permitted Encumbrances imposed under applicable law) shall not be less than $50,000,000; (H) prior to and immediately after giving effect to the repurchase, the Credit Parties and their respective Subsidiaries are in compliance with the covenants set forth in Section 6.11 on a Pro Forma Basis, as of the last day of the most recently ended Fiscal Quarter for which financial statements have been delivered pursuant to Section 5.1(a) or (b) (or, prior to the delivery of any such financial statements, the Fiscal Quarter ended June 30, 2010); (I) the Auction shall be conducted pursuant to such procedures set forth in Exhibit L that a Lender must follow in order to have its Offer Loans repurchased;

(ii) With respect to all repurchases made by Borrower pursuant to this Section 2.10(c), (A) Borrower shall pay to the applicable assigning Lender all accrued and unpaid interest, if any, on the repurchased Term Loans to (but not including) the date of repurchase of such Term Loans, (B) the repurchase of such Term Loans by Borrower shall not be taken into account in the calculation of Consolidated Excess Cash Flow, (C) Borrower shall represent that, as of the launch date of the related Auction and the effective date of any Assignment Agreement, it is not in possession of any information regarding Borrower, its Subsidiaries or its Affiliates, or Borrower's assets, its ability to perform its Obligations or any other matter that may be material to a decision by any Lender to participate in any Auction or enter into any Assignment Agreement or any of the transactions contemplated thereby and that has not previously been disclosed to Administrative Agent and the Lenders and (D) such repurchases shall not be deemed to be voluntary prepayments pursuant to this Section 2.10, Section 2.12 or Section 2.13 except that the amount of the Loans so repurchased shall be applied on a pro rata basis to reduce the scheduled remaining Installments of principal on such Term Loan; and

(iii) Following repurchase by Borrower pursuant to this Section 2.10(c), the Term Loans so repurchased shall, without further action by any Person, be deemed cancelled for all purposes and no longer outstanding (and may not be resold by Borrower), for all purposes of this Agreement and all other Credit Documents, including, but not limited to (A) the making of, or the application of, any payments to the Lenders under this Agreement or any other Credit Document, (B) the making of any request, demand, authorization, direction, notice, consent or waiver under this Agreement or any other Credit Document or (C) the determination of Requisite Lenders, or for any similar or related purpose, under this Agreement or any other Credit Document. In connection with any Term Loans repurchased and cancelled pursuant to this Section 2.10(c), Administrative Agent is authorized to make appropriate entries in the Register to reflect any such cancellation. Any payment made by Borrower in connection with a repurchase permitted by this Section 2.10(c) shall not be subject to the provisions of either Section 2.13(a) or Section 2.14. Failure by Borrower to make any payment to a Lender required by an agreement permitted by this Section 2.10(c) shall not constitute an Event of Default under Section 8.1(a).

2.11. Mandatory Prepayments. (a) Asset Sales. Subject to Section 2.11(e), no later than the fifth Business Day following the date of receipt by Holdings or any of its Subsidiaries of any Net Asset Sale Proceeds in respect of any Asset Sale, Borrower shall prepay the Term Loans in an aggregate amount equal to such Net Asset Sale Proceeds; provided that (i) so long as no Default shall have occurred and be continuing, and (ii) to the extent that aggregate Net Asset Sale Proceeds from the Closing Date through the applicable date of determination do not exceed $150,000,000, Borrower may, prior to the date of the required prepayment, deliver to Administrative Agent a certificate of an Authorized Officer of Borrower to the effect that Borrower intends to, directly or through one or more of its Subsidiaries, invest such Net Asset Sale Proceeds (or a portion thereof specified in such certificate) within 365 days of receipt thereof in long-term productive assets of the general type used in the business of Borrower and its Subsidiaries and (unless such Asset Sale was made by a Subsidiary that is not a Credit Party and such reinvestment is made by such Subsidiary) that constitute Term Collateral, and certifying that no Default has occurred and is continuing, in which case Borrower may so

reinvest such Net Asset Sale Proceeds within such period; provided further, (x) to the extent any such Net Asset Sale Proceeds shall be received in respect of assets owned by a Credit Party, such Net Asset Sale Proceeds may be reinvested only in assets owned by one or more Credit Parties (other than, in each case, Equity Interests in Foreign Subsidiaries, except to the extent such Net Asset Sale Proceeds shall have resulted from the sale of Equity Interests in one or more Foreign Subsidiaries), (y) any such Net Asset Sale Proceeds that are not so reinvested by the end of such period shall be applied to prepay the Term Borrowings upon the expiration of such period and (z) all Net Asset Sale Proceeds received after Net Asset Sale Proceeds exceeding $150,000,000 have been reinvested pursuant to this clause (ii) may not be so reinvested and shall be applied to prepay the Term Loans. Any amount referred to in any such certificate shall, pending prepayment or reinvestment as provided in such certificate or application to prepay the Term Loan, be held as Cash or Cash Equivalents in a Deposit Account of Borrower that is subject to a Control Agreement in favor of the Collateral Agent and constitutes Term Collateral.

(b) Insurance/Condemnation Events. Subject to Section 2.11(e), no later than the fifth Business Day following the date of receipt by Holdings or any of its Subsidiaries, or Administrative Agent as loss payee, of any Net Insurance/Condemnation Proceeds in respect of any Insurance/Condemnation Event, Borrower shall prepay the Term Loans in an aggregate amount equal to such Net Insurance/Condemnation Proceeds; provided that so long as no Default shall have occurred and be continuing, Borrower may, prior to the date of the required prepayment, deliver to Administrative Agent a certificate of an Authorized Officer of Borrower to the effect that Borrower intends to, directly or through one or more of its Subsidiaries, invest such Net Insurance/Condemnation Proceeds (or a portion thereof specified in such certificate) within 365 days of receipt thereof in long term productive assets of the general type used in the business of Holdings and its Subsidiaries and (unless such Net Insurance/Condemnation Proceeds were received in respect of assets owned by Subsidiary that is not a Credit Party and such reinvestment is made by such Subsidiary) that constitute Term Collateral (including through the repair, restoration or replacement of the damaged, destroyed or condemned assets), and certifying that no Default has occurred and is continuing, in which case Borrower may so reinvest such Net Insurance/Condemnation Proceeds within such period (it being understood that any such Net Insurance/Condemnation Proceeds may be applied to reimburse the cost of repair, restoration or replacement of the damaged, destroyed or condemned assets following the applicable Insurance/Condemnation Event but prior to the receipt by Holdings or any of its Subsidiaries of the related Net Insurance/Condemnation Proceeds); provided further, (x) to the extent any such Insurance/Condemnation Proceeds shall be received in respect of assets owned by a Credit Party, such Net Insurance/Condemnation Proceeds may be reinvested only in assets owned by one or more Credit Parties (other than Equity Interests in Foreign Subsidiaries) and (y) any such Net Insurance/Condemnation Proceeds that are not so reinvested by the end of such period shall be applied to prepay the Term Loans promptly upon the expiration of such period. Any amount referred to in any such certificate shall pending prepayment or reinvestment as provided in such certificate or application to prepay the Term Loan, be held as Cash or Cash Equivalents in a Deposit Account of Borrower that is subject to a Control Agreement in favor of the Collateral Agent and constitutes Term Collateral.

(c) Issuance of Debt. On the date of receipt by Holdings or any of its Subsidiaries of any Cash (which term, for the purposes of this Section 2.11(c), shall include Cash Equivalents) proceeds from the incurrence of any Indebtedness of Holdings or any of its Subsidiaries (other than with respect to any Indebtedness permitted to be incurred pursuant to Section 6.1), Borrower shall prepay the Term Loans in an aggregate amount equal to 100% of such proceeds, net of underwriting discounts and commissions and other reasonable costs and expenses associated therewith, including reasonable legal fees and expenses, accounting fees, investment banking fees and consulting fees. Any such proceeds shall pending prepayment be held as Cash or Cash Equivalents in a Deposit Account of Borrower that is subject to a Control Agreement in favor of the Collateral Agent and constitutes Term Collateral.

(d) Consolidated Excess Cash Flow. In the event that there shall be Consolidated Excess Cash Flow for any Fiscal Year (commencing with the Fiscal Year ending September 30, 2011), Borrower shall, no later than ninety days after the end of such Fiscal Year, prepay the Term Loans in an aggregate amount equal to 50% of such Consolidated Excess Cash Flow; provided, that if, as of end of such Fiscal Year, the Leverage Ratio shall be 2.50:1.00 or less, Borrower shall only be required to make the prepayments otherwise required hereby in an amount equal to 25% of such Consolidated Excess Cash Flow and, provided, further, that if, as of the end of such Fiscal Year, the Leverage Ratio shall be 2.00:1.00 or less, Borrower shall not be required to make the prepayments otherwise required hereby.

(e) Repayments Under Revolving Credit Agreement. If any Asset Sale includes assets constituting ABL Collateral that was pledged to secure the obligations under the Revolving Credit Documents or any Net Insurance/Condemnation Proceeds are received in respect of assets subject to an Insurance/Condemnation Event including assets constituting ABL Collateral that was pledged to secure the obligations under the Revolving Credit Documents, then a portion of the Net Asset Sale Proceeds or Net Insurance/Condemnation Proceeds, as applicable, shall be applied to prepay outstanding Revolving Loans and Swingline Loans, and to cash collateralize letters of credit issued under the Revolving Credit Agreement, in either case, in an amount equal to the net book value of the assets constituting ABL Collateral that were sold in the Asset Sale or in respect of which Net Insurance/Condemnation Proceeds were received. For the purposes of determining the amount of Net Asset Sale Proceeds or Net Insurance/Condemnation Proceeds, as applicable, to be applied to prepay the Term Loans, or reinvested, under Section 2.11(a) or 2.11(b), such amount shall be reduced by any such prepayments of loans, or any such cash collateralization of letters of credit, under the Revolving Credit Agreement made in accordance with this Section 2.11(e).

(f) Prepayment Notice and Certificate. Prior to any mandatory prepayment pursuant to this Section 2.11, Borrower shall notify Administrative Agent of such prepayment and deliver to Administrative Agent a certificate of an Authorized Officer demonstrating the calculation of the amount of the applicable net proceeds or Consolidated Excess Cash Flow, as the case may be. Each such notice shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid, and may be given by telephone or in writing (and, if given by telephone, shall

promptly be confirmed in writing). Promptly following receipt of any such notice, the Administrative Agent shall advise the Lenders of the details thereof. In the event that Borrower shall subsequently determine that the actual amount received exceeded the amount set forth in such certificate, Borrower shall promptly make an additional prepayment of the Term Loans, and Borrower shall concurrently therewith deliver to Administrative Agent a certificate of an Authorized Officer demonstrating the derivation of such excess.

2.12. Application of Prepayments. (a) Application of Voluntary Prepayments by Type of Term Loans. Any prepayment pursuant to Section 2.10(a) shall be applied to reduce the subsequent Installments to be paid pursuant to Section 2.9 in the manner specified by Borrower in the notice of prepayment relating thereto (or, if no such manner is specified in such notice, on a pro rata basis (in accordance with the principal amounts of such Installments, including the Installment becoming due on the Maturity Date)).

(b) Application of Mandatory Prepayments by Type of Term Loans. Any prepayment pursuant to Section 2.11 shall be applied to reduce the subsequent Installments to be paid pursuant to Section 2.9 (including the Installment becoming due on the Maturity Date) on a pro rata basis (in accordance with the principal amounts of such Installments)).

(c) Application of Prepayments of Term Loans to Base Rate Term Loans and Eurodollar Rate Term Loans. Any prepayment shall be applied first to Base Rate Term Loans to the full extent thereof before application to Eurodollar Rate Terms Loans, in each case in a manner which minimizes the amount of any payments required to be made by Borrower pursuant to Section 2.15(c).

2.13. General Provisions Regarding Payments. (a) All payments by Borrower of principal, interest, fees and other Obligations shall be made by wire transfer of same day funds in Dollars, without defense, recoupment, setoff or counterclaim, free of any restriction or condition, to the account of Administrative Agent most recently designated by it for such purpose and delivered to Administrative Agent not later than 3:00 p.m. (New York City time) on the date due at the Principal Office of Administrative Agent for the account of Lenders; for purposes of computing interest and fees, funds received by Administrative Agent after that time on such due date shall be deemed to have been paid by Borrower on the next succeeding Business Day.

(b) All payments in respect of the principal amount of any Term Loan shall be accompanied by payment of accrued interest on the principal amount being repaid or prepaid, and all such payments (and, in any event, any payments in respect of any Term Loan on a date when interest is due and payable with respect to such Term Loan) shall be applied to the payment of interest then due and payable before application to principal.

(c) Administrative Agent (or its agent or sub-agent appointed by it) shall promptly distribute to each Lender at such address as such Lender shall indicate in writing, such Lender's applicable Pro Rata Share of all payments and prepayments of principal and interest due hereunder, together with all other amounts due thereto,

including all fees payable with respect thereto, to the extent received by Administrative Agent.

(d) Notwithstanding the foregoing provisions hereof, if any Conversion/ Continuation Notice is withdrawn as to any Affected Lender or if any Affected Lender makes Base Rate Term Loans in lieu of its Pro Rata Share of any Eurodollar Rate Term Loans, Administrative Agent shall give effect thereto in apportioning payments received thereafter.

(e) Subject to the proviso set forth in the definition of "Interest Period", whenever any payment shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of the payment of interest hereunder.

(f) Borrower hereby authorizes Administrative Agent to charge Borrower's accounts with Administrative Agent in order to cause timely payment to be made to Administrative Agent of all principal, interest, fees and expenses due hereunder (subject to sufficient funds being available in its accounts for that purpose).

(g) Administrative Agent shall deem any payment by or on behalf of Borrower hereunder that is not made in same day funds prior to 3:00 p.m. (New York City time) to be a non-conforming payment. Any such payment shall not be deemed to have been received by Administrative Agent until the later of (i) the time such funds become available funds, and (ii) the applicable next Business Day. Administrative Agent shall give prompt telephonic notice to Borrower and each applicable Lender (confirmed in writing) if any payment is non-conforming. Any non-conforming payment may constitute or become a Default in accordance with the terms of Section 8(a). Interest shall continue to accrue on any principal as to which a non-conforming payment is made until such funds become available funds (but in no event less than the period from the date of such payment to the next succeeding applicable Business Day) at the rate determined pursuant to Section 2.7 from the date such amount was due and payable until the date such amount is paid in full.

(h) If an Event of Default shall have occurred and not otherwise been waived, and the maturity of the Obligations shall have been accelerated pursuant to Section 8.1, all payments or proceeds received by Administrative Agent or Collateral Agent in respect of any of the Obligations shall be applied in accordance with the application arrangements described in Section 5.2 of the Pledge and Security Agreement.

2.14. Ratable Sharing. Lenders hereby agree among themselves that, except as otherwise provided in the Collateral Documents with respect to amounts realized from the exercise of rights with respect to Liens on the Collateral, if any Lender shall, whether by voluntary payment (other than a voluntary prepayment of Term Loans made and applied in accordance with the terms hereof), through the exercise of any right of set-off or banker's lien, by counterclaim or cross action or by the enforcement of any right under the Credit Documents or otherwise, or as adequate protection of a deposit treated as cash collateral under the Bankruptcy Code, receive payment or reduction of a proportion of the aggregate amount of

principal, interest, fees and other amounts then due and owing to such Lender hereunder or under the other Credit Documents (collectively, the **"Aggregate Amounts Due"** to such Lender) resulting in such Lender receiving payment of a greater proportion of the Aggregate Amounts Due to such Lender than the proportion received by any other Lender in respect of the Aggregate Amounts Due to such other Lender, then the Lender receiving such proportionately greater payment shall (a) notify Administrative Agent and each other Lender of the receipt of such payment and (b) apply a portion of such payment to purchase (for cash at face value) participations (which it shall be deemed to have purchased from each seller of a participation simultaneously upon the receipt by such seller of its portion of such payment) in the Aggregate Amounts Due to the other Lenders so that all such recoveries of Aggregate Amounts Due shall be shared by all Lenders in proportion to the Aggregate Amounts Due to them; provided, if all or part of such proportionately greater payment received by such purchasing Lender is thereafter recovered from such Lender upon the bankruptcy or reorganization of Borrower or otherwise, those purchases shall be rescinded and the purchase prices paid for such participations shall be returned to such purchasing Lender ratably to the extent of such recovery, but without interest. Borrower expressly consents to the foregoing arrangement and agrees that any holder of a participation so purchased may exercise any and all rights of banker's lien, consolidation, set-off or counterclaim with respect to any and all monies owing by Borrower to that holder with respect thereto as fully as if that holder were owed a Term Loan in the amount of the participation held by that holder in accordance with Section 10.4. The provisions of this Section 2.14 shall not be construed to apply to (a) any payment made by Borrower pursuant to and in accordance with the express terms of this Agreement or (b) any payment obtained by any Lender as consideration for the assignment or sale of a participation in any of its Term Loans or other Obligations owed to it.

2.15. Making or Maintaining Eurodollar Rate Term Loans. (a) Inability to Determine Applicable Interest Rate. If, on or prior to any Interest Rate Determination Date with respect to any Interest Period for any Eurodollar Rate Borrowing, Administrative Agent shall have determined (which determination shall be final and conclusive and binding upon all parties hereto), on any Interest Rate Determination Date with respect to any Eurodollar Rate Term Loans, that by reason of circumstances affecting the London interbank market adequate and fair means do not exist for ascertaining the interest rate applicable to such Term Loans on the basis provided for in the definition of Adjusted Eurodollar Rate, Administrative Agent shall on such date give notice (by telefacsimile or by telephone confirmed in writing) to Borrower and each Lender of such determination, whereupon (i) no Term Loans may be made as, or converted to, Eurodollar Rate Term Loans until such time as Administrative Agent notifies Borrower and Lenders that the circumstances giving rise to such notice no longer exist (which notice Administrative Agent agrees to give reasonably promptly upon a determination that such circumstances no longer exist), and (ii) any Funding Notice or Conversion/Continuation Notice given by Borrower with respect to the Term Loans in respect of which such determination was made shall be deemed to be rescinded by Borrower.

(b) Illegality or Impracticability of Eurodollar Rate Term Loans. In the event that on any date any Lender shall have reasonably determined (which determination shall be final and conclusive and binding upon all parties hereto) that the making, maintaining or continuation of its Eurodollar Rate Term Loans (i) has become unlawful as a result of compliance by such Lender in good faith with any law, treaty, governmental rule,

regulation, guideline or order (or would conflict with any such treaty, governmental rule, regulation, guideline or order not having the force of law even though the failure to comply therewith would not be unlawful), or (ii) has become impracticable, as a result of contingencies occurring after the date hereof which materially and adversely affect the London interbank market or the position of such Lender in that market, then, and in any such event, such Lender shall be an **"Affected Lender"** and it shall on that day give notice (by e-mail or by telephone confirmed in writing) to Borrower and Administrative Agent of such determination (which notice Administrative Agent shall promptly transmit to each other Lender). If the Administrative Agent receives a notice from (x) any Lender pursuant to clause (i) of the preceding sentence or (y) a notice from Lenders constituting Requisite Lenders pursuant to clause (ii) of the preceding sentence, then (1) the obligation of the Lenders (or, in the case of any notice pursuant to clause (i) of the preceding sentence, such Lender) to make Term Loans as, or to convert Term Loans to, Eurodollar Rate Term Loans shall be suspended until such notice shall be withdrawn by each Affected Lender, (2) to the extent such determination by the Affected Lender relates to a Eurodollar Rate Term Loan then being requested by Borrower pursuant to a Funding Notice or a Conversion/Continuation Notice, the Lenders (or in the case of any notice pursuant to clause (i) of the preceding sentence, such Lender) shall make such Term Loan as (or continue such Term Loan as or convert such Term Loan to, as the case may be) a Base Rate Term Loan, (3) the Lenders' (or in the case of any notice pursuant to clause (i) of the preceding sentence, such Lender's) obligations to maintain their respective outstanding Eurodollar Rate Term Loans (the **"Affected Loans"**) shall be terminated at the earlier to occur of the expiration of the Interest Period then in effect with respect to the Affected Loans or when required by law, and (4) the Affected Loans shall automatically convert into Base Rate Term Loans on the date of such termination. Notwithstanding the foregoing, to the extent a determination by an Affected Lender as described above relates to a Eurodollar Rate Term Loan then being requested by Borrower pursuant to a Funding Notice or a Conversion/Continuation Notice, Borrower shall have the option, subject to the provisions of Section 2.15(c), to rescind such Funding Notice or Conversion/Continuation Notice as to all Lenders by giving written or telephonic notice (promptly confirmed by delivery of written notice thereof) to Administrative Agent of such rescission on the date on which the Affected Lender gives notice of its determination as described above (which notice of rescission Administrative Agent shall promptly transmit to each other Lender). If any Affected Lender invokes this Section 2.15(b), it shall reasonably promptly notify Borrower and Administrative Agent when the conditions giving rise to such action no longer exist.

(c) Compensation for Breakage or Non-Commencement of Interest Periods . Borrower shall compensate each Lender, upon written request by such Lender (which request shall set forth the basis for requesting such amounts), for all reasonable losses, expenses and liabilities (including any interest paid or payable by such Lender to lenders of funds borrowed by it to make or carry its Eurodollar Rate Term Loans and any loss, expense or liability sustained by such Lender in connection with the liquidation or re-employment of such funds but excluding loss of anticipated profits) which such Lender may sustain: (i) if for any reason (other than a default by such Lender) a borrowing of any Eurodollar Rate Term Loan does not occur on a date specified

therefor in a Funding Notice or a telephonic request for borrowing, or a conversion to or continuation of any Eurodollar Rate Term Loan does not occur on a date specified therefor in a Conversion/Continuation Notice or a telephonic request for conversion or continuation; (ii) if any prepayment or other principal payment of, or any conversion of, any of its Eurodollar Rate Term Loans occurs on a date prior to the last day of an Interest Period applicable to that Term Loan; or (iii) if any prepayment of any of its Eurodollar Rate Term Loans is not made on any date specified in a notice of prepayment given by Borrower.

(d) Booking of Eurodollar Rate Term Loans. Any Lender may make, carry or transfer Eurodollar Rate Term Loans at, to, or for the account of any of its branch offices or the office of an Affiliate of such Lender.

(e) Assumptions Concerning Funding of Eurodollar Rate Term Loans. Calculation of all amounts payable to a Lender under this Section 2.15 and under Section 2.16 shall be made as though such Lender had actually funded each of its relevant Eurodollar Rate Term Loans through the purchase of a Eurodollar deposit bearing interest at the rate obtained pursuant to clause (i) of the definition of Adjusted Eurodollar Rate in an amount equal to the amount of such Eurodollar Rate Term Loan and having a maturity comparable to the relevant Interest Period and through the transfer of such Eurodollar deposit from an offshore office of such Lender to a domestic office of such Lender in the United States of America; provided, however, each Lender may fund each of its Eurodollar Rate Term Loans in any manner it sees fit and the foregoing assumptions shall be utilized only for the purposes of calculating amounts payable under this Section 2.15 and under Section 2.16.

2.16. Increased Costs; Capital Adequacy. (a) Compensation For Increased Costs and Taxes. Subject to the provisions of Section 2.17 (which shall be controlling with respect to Taxes and the matters covered thereby), in the event that any Lender shall determine (which determination shall, absent manifest error, be final and conclusive and binding upon all parties hereto) that any law, treaty or governmental rule, regulation or order, or any change therein or in the interpretation, administration or application thereof (including the introduction of any new law, treaty or governmental rule, regulation or order), or any determination of a court or Governmental Authority, in each case that becomes effective after the date hereof, or compliance by such Lender with any guideline, request or directive issued or made after the date hereof by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law): (i) subjects such Lender (or its applicable lending office) to any additional Tax (other than any Tax on the overall net income of such Lender) with respect to this Agreement or any of the other Credit Documents or any of its obligations hereunder or thereunder or any payments to such Lender (or its applicable lending office) of principal, interest, fees or any other amount payable hereunder or thereunder; (ii) imposes, modifies or holds applicable any reserve (including any marginal, emergency, supplemental, special or other reserve), special deposit, compulsory loan, FDIC insurance or similar requirement against assets held by, or deposits or other liabilities in or for the account of, or advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of such Lender (other than any such reserve or other requirements with respect to Eurodollar Rate Term Loans that are reflected in the definition of Adjusted Eurodollar Rate); or (iii) imposes any other condition (other than with respect to a Tax matter) on or affecting such Lender (or its applicable lending office) or its obligations hereunder or the London interbank market; and the result of any of the foregoing is to increase the cost to

such Lender of agreeing to make, making or maintaining Term Loans hereunder or to reduce any amount received or receivable by such Lender (or its applicable lending office) with respect thereto; then, in any such case, Borrower shall pay to such Lender, within ten Business Days of receipt of the statement referred to in the next sentence, such additional amount or amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Lender in its sole discretion shall determine) as may be necessary to compensate such Lender for any such increased cost or reduction in amounts received or receivable hereunder; provided, that Borrower shall not be required to compensate any Lender pursuant to this Section for any increased costs or reductions incurred more than 270 days prior to the date that such Lender delivers the statement referred to in the next sentence; provided further that, if the basis for such additional amount is retroactive, the 270-day period referred to above shall be extended to include the period of retroactive effect thereof. Such Lender shall deliver to Borrower (with a copy to Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to such Lender under this Section 2.16(a), which statement shall be conclusive and binding upon all parties hereto absent manifest error.

(b) Capital Adequacy Adjustment. In the event that any Lender shall have determined that the adoption, effectiveness, phase-in or applicability after the Closing Date of any law, rule or regulation (or any provision thereof) regarding capital adequacy, or any change therein or in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Lender (or its applicable lending office) with any guideline, request or directive regarding capital adequacy (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on the capital of such Lender or any corporation controlling such Lender as a consequence of, or with reference to, such Lender's Term Loans or other obligations hereunder with respect to the Term Loans to a level below that which such Lender or such controlling corporation could have achieved but for such adoption, effectiveness, phase-in, applicability, change or compliance (taking into consideration the policies of such Lender or such controlling corporation with regard to capital adequacy), then from time to time, within five Business Days after receipt by Borrower from such Lender of the statement referred to in the next sentence, Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or such controlling corporation on an after-tax basis for such reduction. Such Lender shall deliver to Borrower (with a copy to Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to Lender under this Section 2.16(b), which statement shall be conclusive and binding upon all parties hereto absent manifest error.

2.17. Taxes; Withholding, Etc. (a) Payments to Be Free and Clear. All sums payable by or on behalf of any Credit Party hereunder and under the other Credit Documents shall (except to the extent required by law) be paid free and clear of, and without any deduction or withholding on account of, any Tax (other than a Tax on the overall net income of any Lender) imposed, levied, collected, withheld or assessed by or within the United States of America or any political subdivision in or of the United States of America or any other jurisdiction from or to which a payment is made by or on behalf of any Credit Party or by any federation or

organization of which the United States of America or any such jurisdiction is a member at the time of payment.

(b) Withholding of Taxes. If any Credit Party or any other Person is required by law to make any deduction or withholding on account of any such Tax from any sum paid or payable by any Credit Party to Administrative Agent or any Lender under any of the Credit Documents: (i) Borrower shall notify Administrative Agent of any such requirement or any change in any such requirement as soon as Borrower becomes aware of it; (ii) Borrower shall pay any such Tax before the date on which penalties attach thereto, such payment to be made (if the liability to pay is imposed on any Credit Party) for its own account or (if that liability is imposed on Administrative Agent or such Lender, as the case may be) on behalf of and in the name of Administrative Agent or such Lender; (iii) the sum payable by such Credit Party in respect of which the relevant deduction, withholding or payment is required shall be increased to the extent necessary to ensure that, after the making of that deduction, withholding or payment, Administrative Agent or such Lender, as the case may be, receives on the due date a net sum equal to what it would have received had no such deduction, withholding or payment been required or made; and (iv) within thirty days after paying any sum from which it is required by law to make any deduction or withholding, and within thirty days after the due date of payment of any Tax which it is required by clause (ii) above to pay, Borrower shall deliver to Administrative Agent evidence satisfactory to the other affected parties of such deduction, withholding or payment and of the remittance thereof to the relevant taxing or other authority; provided, no such additional amount shall be required to be paid to any Lender (other than a Lender that becomes a Lender pursuant to Section 2.19) under clause (iii) above except to the extent that any change in law after the date hereof (in the case of each Lender listed on the signature pages hereof on the Closing Date) or after the Closing Date of the Assignment Agreement pursuant to which such Lender became a Lender (in the case of each other Lender) in any such requirement for a deduction, withholding or payment as is mentioned therein shall result in an increase in the rate of such deduction, withholding or payment from that in effect at the date hereof or at the date of such Assignment Agreement, as the case may be, in respect of payments to such Lender; provided that additional amounts shall be payable to a Lender to the extent such Lender's assignor was entitled to receive such additional amounts.

(c) Evidence of Exemption From U.S. Withholding Tax. Each Lender that is not a United States Person (as such term is defined in Section 7701(a)(30) of the Internal Revenue Code) for U.S. federal income tax purposes (a **"Non-US Lender"**) shall deliver to Administrative Agent for transmission to Borrower, on or prior to the Closing Date (in the case of each Lender listed on the signature pages hereof on the Closing Date) or on or prior to the date of the Assignment Agreement pursuant to which it becomes a Lender (in the case of each other Lender), and at such other times as may be necessary in the determination of Borrower or Administrative Agent (each in the reasonable exercise of its discretion), (i) two original copies of Internal Revenue Service Form W-8BEN, W-8ECI and/or W-8IMY (or, in each case, any successor forms), properly completed and duly executed by such Lender, and such other documentation required under the Internal Revenue Code and reasonably requested by Borrower to establish that such Lender is not subject to deduction or withholding of United States federal income tax with respect to

any payments to such Lender of principal, interest, fees or other amounts payable under any of the Credit Documents, or (ii) if such Lender is not a "bank" or other Person described in Section 881(c)(3) of the Internal Revenue Code, a Certificate re Non-Bank Status together with two original copies of Internal Revenue Service Form W-8BEN (or any successor form), properly completed and duly executed by such Lender, and such other documentation required under the Internal Revenue Code and reasonably requested by Borrower to establish that such Lender is not subject to deduction or withholding of United States federal income tax with respect to any payments to such Lender of interest payable under any of the Credit Documents. Each Lender that is a United States person (as such term is defined in Section 7701(a)(30) of the Internal Revenue Code) for United States federal income tax purposes (a "**U.S. Lender**") and is not an exempt recipient within the meaning of Treasury Regulation Section 1.6049-4(c) shall deliver to Administrative Agent and Borrower on or prior to the Closing Date (or, if later, on or prior to the date on which such Lender becomes a party to this Agreement) two original copies of Internal Revenue Service Form W-9 (or any successor form), properly completed and duly executed by such Lender, certifying that such U.S. Lender is entitled to an exemption from United States backup withholding tax, or otherwise prove that it is entitled to such an exemption. Each Lender required to deliver any forms, certificates or other evidence with respect to United States federal income tax withholding matters pursuant to this Section 2.17(c) hereby agrees, from time to time after the initial delivery by such Lender of such forms, certificates or other evidence, whenever a lapse in time or change in circumstances renders such forms, certificates or other evidence obsolete or inaccurate in any material respect, that such Lender shall promptly deliver to Administrative Agent for transmission to Borrower two new original copies of Internal Revenue Service Form W-8BEN, W-8ECI and/or W-8IMY (or, in each case, any successor form), or a Certificate re Non-Bank Status and two original copies of Internal Revenue Service Form W-8BEN (or any successor form), as the case may be, properly completed and duly executed by such Lender, and such other documentation required under the Internal Revenue Code and reasonably requested by Borrower to confirm or establish that such Lender is not subject to deduction or withholding of United States federal income tax with respect to payments to such Lender under the Credit Documents, or notify Administrative Agent and Borrower of its inability to deliver any such forms, certificates or other evidence. Borrower shall not be required to pay any additional amount to any Non-US Lender under Section 2.17(b)(iii) if such Lender shall have failed (1) to deliver the forms, certificates or other evidence referred to in the first sentence of this Section 2.17(c), or (2) to notify Administrative Agent and Borrower of its inability to deliver any such forms, certificates or other evidence, as the case may be; provided, if such Lender shall have satisfied the requirements of the first sentence of this Section 2.17(c) on the Closing Date or on the date of the Assignment Agreement pursuant to which it became a Lender, as applicable, nothing in this last sentence of Section 2.17(c) shall relieve Borrower of its obligation to pay any additional amounts pursuant this Section 2.17 in the event that, as a result of any change in any applicable law, treaty or governmental rule, regulation or order, or any change in the interpretation, administration or application thereof, such Lender is no longer properly entitled to deliver forms, certificates or other evidence at a subsequent date establishing the fact that such Lender is not subject to withholding as described herein.

2.18. Obligation to Mitigate. Each Lender agrees that, as promptly as practicable after the officer of such Lender responsible for administering its Term Loans becomes aware of the occurrence of an event or the existence of a condition that would cause such Lender to become an Affected Lender or that would entitle such Lender to receive payments under Section 2.15, 2.16 or 2.17, it will, to the extent not inconsistent with the internal policies of such Lender and any applicable legal or regulatory restrictions, use reasonable efforts to (a) make, issue, fund or maintain its Term Loans, including any Affected Loans, through another office of such Lender, or (b) take such other measures as such Lender may deem reasonable, if as a result thereof the circumstances which would cause such Lender to be an Affected Lender would cease to exist or the additional amounts which would otherwise be required to be paid to such Lender pursuant to Section 2.15, 2.16 or 2.17 would be materially reduced and if, as determined by such Lender in its sole discretion, the making, issuing, funding or maintaining of Term Loans through such other office or in accordance with such other measures, as the case may be, would not otherwise adversely affect such Term Loans or the interests of such Lender; provided, such Lender will not be obligated to utilize such other office pursuant to this Section 2.18 unless Borrower agrees to pay all incremental expenses incurred by such Lender as a result of utilizing such other office as described above. A certificate as to the amount of any such expenses payable by Borrower pursuant to this Section 2.18 (setting forth in reasonable detail the basis for requesting such amount) submitted by such Lender to Borrower (with a copy to Administrative Agent) shall be conclusive absent manifest error.

2.19. Removal or Replacement of a Lender. Anything contained herein to the contrary notwithstanding, in the event that: (a) (i) any Lender (an **"Increased-Cost Lender"**) shall give notice to Borrower that such Lender is an Affected Lender or that such Lender is entitled to receive payments under Section 2.15, 2.16 or 2.17, (ii) the circumstances which have caused such Lender to be an Affected Lender or which entitle such Lender to receive such payments shall remain in effect, and (iii) such Lender shall fail to withdraw such notice within two Business Days after Borrower's request for such withdrawal; or (b) in connection with any proposed amendment, modification, termination, waiver or consent with respect to any of the provisions hereof as contemplated by Section 10.5(b), the consent of Requisite Lenders shall have been obtained but the consent of one or more of such other Lenders (each a **"Non-Consenting Lender"**) whose consent is required shall not have been obtained; then, with respect to each such Increased-Cost Lender or Non-Consenting Lender (the **"Terminated Lender"**), Borrower may, by giving written notice to Administrative Agent and any Terminated Lender of its election to do so, elect to cause such Terminated Lender (and such Terminated Lender hereby irrevocably agrees) to assign its outstanding Term Loans, if any, in full to one or more Eligible Assignees (each a **"Replacement Lender"**) in accordance with the provisions of Section 10.6 and Borrower shall pay the fees, if any, payable thereunder in connection with any such assignment from an Increased Cost Lender or a Non-Consenting Lender; provided, (1) on the date of such assignment, the Replacement Lender shall pay to Terminated Lender an amount equal to the sum of (A) an amount equal to the principal of, and all accrued interest on, all outstanding Term Loans of the Terminated Lender, and (B) an amount equal to all accrued, but theretofore unpaid fees owing to such Terminated Lender pursuant to Section 2.8; (2) on the date of such assignment, Borrower shall pay any amounts payable to such Terminated Lender pursuant to Section 2.15, 2.16 or 2.17, or otherwise as if it were a prepayment and (3) in the event such Terminated Lender is a Non-Consenting Lender, each Replacement Lender shall consent, at the time of such assignment, to each matter in respect of which such Terminated

Lender was a Non-Consenting Lender. Upon the prepayment of all amounts owing to any Terminated Lender, such Terminated Lender shall no longer constitute a "Lender" for purposes hereof; provided, any rights of such Terminated Lender to indemnification hereunder shall survive as to such Terminated Lender. Each Lender agrees that if Borrower exercises its option hereunder to cause an assignment by such Lender as a Non-Consenting Lender or Terminated Lender, such Lender shall, promptly after receipt of written notice of such election, execute and deliver all documentation necessary to effectuate such assignment in accordance with Section 10.6. In the event that a Lender does not comply with the requirements of the immediately preceding sentence within one Business Day after receipt of such notice, each Lender hereby authorizes and directs the Administrative Agent to execute and deliver such documentation as may be required to give effect to an assignment in accordance with Section 10.6 on behalf of a Non-Consenting Lender or Terminated Lender and any such documentation so executed by the Administrative Agent shall be effective for purposes of documenting an assignment pursuant to Section 10.6.

SECTION 3. CONDITIONS PRECEDENT

3.1. Closing Date. The obligation of each Lender to make Term Loans on the Closing Date is subject to the satisfaction, or waiver in accordance with Section 10.5, of the following conditions on or before the Closing Date:

(a) Credit Documents. Administrative Agent and Arrangers shall have received sufficient copies of each Credit Document as Administrative Agent shall reasonably request, executed and delivered by each applicable Credit Party and each other party thereto.

(b) Organizational Documents; Incumbency. Administrative Agent and Arrangers shall have received, in respect of each Credit Party, (i) sufficient copies of each Organizational Document as Administrative Agent shall reasonably request, and, to the extent applicable, certified as of the Closing Date or a recent date prior thereto by the appropriate Governmental Authority; (ii) signature and incumbency certificates of the officers of such Credit Party authorized to execute each Credit Document to which such Credit Party is a party; (iii) resolutions of the Board of Directors or similar governing body of such Credit Party approving and authorizing the execution, delivery and performance of this Agreement and the other Credit Documents to which it is a party as of the Closing Date, certified as of the Closing Date by its secretary or an assistant secretary as being in full force and effect without modification or amendment; (iv) a good standing certificate from the applicable Governmental Authority of such Credit Party's jurisdiction of incorporation, organization or formation dated the Closing Date or a recent date prior thereto and (v) such other documents and certificates as Administrative Agent may reasonably request.

(c) Capitalization of Holdings and Borrower. On or before the Closing Date, Holdings shall have received, substantially simultaneously with the initial funding of Term Loans on the Closing Date, the Equity Contribution and shall have contributed the proceeds therefrom to Borrower in the form of cash common equity.

(d) Consummation of the Acquisition. (1) All conditions to the Acquisition set forth in the Purchase Agreement shall have been satisfied or the fulfillment of any such conditions shall have been waived and (2) the Acquisition shall have been, or substantially simultaneously with the initial funding of the Term Loans on the Closing Date shall be, consummated in accordance with the terms of the Purchase Agreement, in each case, without giving effect to any amendment, supplement, modification or waiver of any term or condition of the Purchase Agreement, or any consent under the Purchase Agreement, that in the reasonable judgment of Administrative Agent is adverse in any material respect to the Lenders or any Arranger in their capacities as such, unless approved by Administrative Agent.

(e) Existing Indebtedness. On the Closing Date, Administrative Agent shall have received evidence reasonably satisfactory to it that (i) to the extent that any of the Senior Notes are not purchased and retired on or before the Closing Date pursuant to a tender offers for the Senior Notes, (A) irrevocable notices of redemption for such Senior Notes not tendered shall have been, or substantially simultaneously with the initial funding the of the Term Loans will be, given to the holders of such Senior Notes to redeem such Senior Notes on or about 30 days following the Closing Date (the **"Senior Notes Redemption Date"**) and (B) the conditions to achieve a Covenant Defeasance of the Senior Notes pursuant to the Senior Notes Indentures have been, or substantially simultaneously with the initial funding of the Term Loans will be, satisfied; provided that, with respect to the Floating Rate Notes, a Covenant Defeasance shall not be required if, prior to or substantially simultaneously with the initial funding of the Term Loans, (1) the Floating Rate Supplemental Indenture shall have become effective and (2) cash in Dollars shall have been deposited with the trustee under the Floating Rate Notes Indenture in an amount, reasonably estimated by the Borrower (and reasonably approved by Administrative Agent), sufficient to satisfy the requirements of Section 8.04(a)(i) of the Floating Rate Notes Indenture; (ii) all principal, premium, if any, interest, fees and other amounts due or outstanding under the Existing Debt Agreements (other than under the Senior Notes Indentures and other than with respect to any outstanding letters of credit collateralized in a manner satisfactory to the Administrative Agent) shall have been paid in full, the commitments to lend or make other extensions of credit thereunder terminated and all guarantees and security in support thereof discharged and released. Administrative Agent shall have received evidence reasonably satisfactory to it (i) that, immediately after giving effect to the Transactions, none of Holdings or any of its Subsidiaries shall have any Indebtedness other than the Indebtedness created under this Agreement, the Indebtedness created under the Revolving Credit Agreement and the Indebtedness set forth on Schedule 6.1 and (ii) that, immediately after giving effect to the Transactions, there will not exist any default or any event of default under any of the documents governing the Indebtedness set forth on Schedule 6.1

(f) Transaction Costs. Prior to the Closing Date, Borrower shall have delivered to Administrative Agent Borrower's reasonable best estimate of the Transactions Costs (other than fees payable to any Agent or Arranger).

(g) Governmental Authorizations and Consents. Each Credit Party shall have obtained all material Governmental Authorizations and all material consents of other

Persons that, in each case, are required in order to consummate the transactions contemplated by the Credit Documents and the Related Agreements and each of the foregoing shall be in full force and effect and in form and substance reasonably satisfactory to Administrative Agent. All applicable waiting periods shall have expired without any action being taken or threatened by any competent Governmental Authority which would restrain, prevent or otherwise impose materially adverse conditions on the transactions contemplated by the Credit Documents or the Related Agreements or the financing thereof and no action, request for stay, petition for review or rehearing, reconsideration, or appeal with respect to any of the foregoing shall be pending, and the time for any applicable agency to take action to set aside its consent on its own motion shall have expired.

(h) Collateral and Guarantee Requirement. The Collateral and Guarantee Requirement shall have been satisfied; provided that if, notwithstanding the use by the Credit Parties of commercially reasonable efforts to cause the Collateral and Guarantee Requirement to be satisfied on the Closing Date, the requirements thereof (other than (i) the execution and delivery of this Agreement and the Pledge and Security Agreement by the Credit Parties, (ii) the creation, pledge and perfection of security interests in (x) the Equity Interests of Borrower and the Domestic Subsidiaries of Holdings (to the extent required by paragraph (d) of the definition of "Collateral and Guarantee Requirement") and (y) the certificated securities representing debt (to the extent required by paragraph (e) of the definition of "Collateral and Guarantee Requirement"), (iii) the execution and delivery of "short form" intellectual property security agreements with respect to the Intellectual Property of the Credit Parties that is to be perfected by filing such agreements with the United States Patent and Trademark Office or the United States Copyright Office and (iv) the delivery of UCC financing statements with respect to perfection of security interests in other assets of the Credit Parties that may be perfected by the filing of a financing statement under the UCC) are not satisfied as of the Closing Date, the satisfaction of such requirements shall not be a condition to the availability of the Term Loans on the Closing Date (but shall be required to be satisfied as promptly as practicable after the Closing Date and in any event within the period specified therefor in Schedule 3.1(h) or such later date as Collateral Agent may agree in its reasonable discretion). Collateral Agent shall have received a completed Perfection Certificate, dated the Closing Date and executed by an Authorized Officer of Borrower, together with all attachments contemplated thereby, including the results of a search of the UCC (or equivalent) filings made with respect to the Credit Parties in the jurisdictions contemplated by the Perfection Certificate and copies of the financing statements (or similar documents) disclosed by such search and evidence reasonably satisfactory to Collateral Agent that the Liens indicated by such financing statements (or similar documents) are permitted under Section 6.2 or have been, or substantially contemporaneously with the initial funding of the Term Loans on the Closing Date will be, released.

(i) Financial Statements; Projections. Administrative Agent shall have received from Holdings (i) the Historical Financial Statements, which shall be accompanied by a Financial Officer Certification of the Borrower thereon and which (x) in the case of the financial statements referred to in clause (a) of the definition of "Historical Financial Statements", shall have been delivered not fewer than 30 Business Days prior to the

Closing Date and (y) in the case of the financial statements referred to in clause (b) of the definition of "Historical Financial Statements", shall have been delivered not fewer than 30 days after the last day of the relevant period, and (ii) the pro forma consolidated balance sheet and related consolidated statement of operations of Holdings and its Subsidiaries as of the end of or for the period of twelve consecutive months ending on the last day of the most recently ended Fiscal Quarter or calendar month for which financial statements or "flash reports" have been delivered pursuant to clause (i) above, prepared after giving effect to the Transactions, which pro forma financial statements shall be in form and substance satisfactory to Administrative Agent and which shall have been delivered concurrently with the financial statements or "flash reports" delivered pursuant to clause (i) above.

(j) Evidence of Insurance. Collateral Agent shall have received a certificate from the applicable Credit Party's insurance broker or other evidence reasonably satisfactory to it that all insurance required to be maintained pursuant to Section 5.6 is in full force and effect, together with endorsements naming Collateral Agent, for the benefit of Secured Parties, as additional insured and loss payee thereunder to the extent required under Section 5.6.

(k) Opinions of Counsel to Credit Parties. Administrative Agent shall have received originally executed copies of the favorable written opinions of Dechert LLP, counsel for Credit Parties, addressed to Administrative Agent, Collateral Agent and Lenders, covering such matters as Administrative Agent may reasonably request, dated as of the Closing Date and in form and substance reasonably satisfactory to Administrative Agent (and each Credit Party hereby instructs such counsel to deliver such opinions to Administrative Agent).

(l) Fees. Borrower shall have paid to the Agent, the Arrangers and the Lenders all costs, fees, expenses and amounts (including, without limitation, legal fees and expenses) due and payable on or before the Closing Date pursuant to the Commitment Letter or the Credit Documents.

(m) Solvency Certificate. On the Closing Date, Administrative Agent shall have received the Solvency Certificate signed by the chief financial officer of each Credit Party, in form, scope and substance reasonably satisfactory to Administrative Agent, and certifying that after giving effect to the consummation of the Acquisition and the other Transactions and any rights of contribution, such Credit Party is and will be Solvent.

(n) Closing Date Certificate. Holdings and Borrower shall have delivered to Administrative Agent an executed Closing Date Certificate, together with all attachments thereto.

(o) Credit Rating. Holdings shall have been assigned a public corporate family rating from Moody's and a public corporate credit rating from S&P and the Term Loans shall have been assigned a public credit rating from each of Moody's and S&P.

(p) No Litigation. There shall not exist any action, suit, investigation, litigation, proceeding, hearing or other legal or regulatory developments, pending or, to the knowledge of the Borrower, threatened in any court or before any arbitrator or Governmental Authority that singly or in the aggregate, materially impairs the Acquisition or the other Transactions, the financing thereof or any of the other transactions contemplated by the Credit Documents or the Related Agreements.

(q) Letter of Direction. Administrative Agent shall have received a duly executed letter of direction from Borrower addressed to Administrative Agent, on behalf of itself and Lenders, directing the disbursement on the Closing Date of the proceeds of the Term Loans to be made on such date.

(r) Material Adverse Effect. Since September 30, 2009 (with respect to Holdings and its Subsidiaries immediately prior to the Acquisition) and since October 3, 2009 (with respect to the Acquired Business and its Subsidiaries), there shall not have occurred any Combined Material Adverse Effect. Since October 3, 2009, there shall not have occurred any Company Material Adverse Effect.

(s) Representations and Warranties. The Specified Representations shall be true and correct on and as of the Closing Date in all material respects, and each of the representations and warranties contained herein and in the other Credit Documents with respect to or made by Holdings and its Subsidiaries (excluding the Acquired Business and its Subsidiaries) shall be true and correct in all material respects on and as of Closing Date; provided that, in each case, such materiality qualifiers shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof.

(t) PATRIOT Act, Etc. At least 10 days prior to the Closing Date, the Lenders shall have received all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the PATRIOT Act.

(u) Effectiveness of Revolving Credit Agreement. Administrative Agent shall have received evidence reasonably satisfactory to it that (i) the Revolving Credit Agreement has been executed and delivered by the parties thereto, (ii) the Revolving Credit Agreement shall have become effective (with aggregate commitments not less than $125,000,000 on the Closing Date) and (iii) the Minimum Availability Condition is satisfied, and Administrative Agent shall have received sufficient copies of each Revolving Credit Document as Administrative Agent shall reasonably request, executed and delivered by each other party thereto.

(v) Funding Notice. Administrative Agent shall have received a fully executed and delivered Funding Notice no later than one Business Day prior to the Closing Date.

SECTION 4. REPRESENTATIONS AND WARRANTIES

In order to induce Agents and Lenders to enter into this Agreement and to make the Term Loan to be made thereby, each Credit Party represents and warrants to each Agent and Lender, on the Closing Date, that the following statements are true and correct (it being understood and agreed that the representations and warranties are deemed to be made concurrently with the consummation of the Transactions):

4.1. Organization; Powers. Each of the Credit Parties and each of its Subsidiaries is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required.

4.2. Authorization; Enforceability. The Transactions are within each Credit Party's corporate powers and have been duly authorized by all necessary corporate and, if required, by all necessary shareholder action. This Agreement and each of the other Credit Documents have been duly executed and delivered by each Credit Party party thereto and constitutes, or when executed and delivered by such Credit Party will constitute, a legal, valid and binding obligation of such Credit Party, enforceable against such Credit Party in accordance with its terms, except as such enforceability may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or similar laws of general applicability affecting the enforcement of creditors' rights and (b) the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

4.3. Governmental Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except for (i) such as have been obtained or made and are in full force and effect and (ii) filings and recordings in respect of the Liens created pursuant to the Credit Documents and the Revolving Credit Documents, (b) will not violate (i) in any material respect any provision of any law or any governmental rule or regulation applicable to Holdings or any of its Subsidiaries, (ii) any of the Organizational Documents of Holdings or any of its Subsidiaries, or (iii) any order, judgment or decree of any court or other agency of government binding on Holdings or any of its Subsidiaries, (c) will not violate in any material respect or result in a material default under any Contractual Obligation upon any Credit Party or any of its Subsidiaries or their assets, or give rise to a right thereunder to require any payment to be made by any such Person, or (d) except for the Liens created in favor of Collateral Agent for the benefit of the Secured Parties pursuant to the Credit Documents and Liens created in favor of the Revolving Collateral Agent for the benefit of the Revolving Secured Parties under the Revolving Credit Documents, will not result in the creation or imposition of any Lien on any asset of any Credit Party or any of its Subsidiaries.

4.4. Historical Financial Statements; Pro Forma Financial Statements; No Material Adverse Effect. The Historical Financial Statements were prepared in conformity with GAAP and fairly present, in all material respects, the financial position, on a consolidated basis, of the Persons described in such financial statements as of the respective dates thereof and the results of

operations and cash flows, on a consolidated basis, of the Persons described in such financial statements for each of the periods then ended, subject, in the case of any such unaudited financial statements, to changes resulting from audit and normal year-end adjustments and the absence of footnotes. As of the Closing Date, neither Holdings nor any of its Subsidiaries has any contingent liability or liability for Taxes, any long-term lease or any unusual forward or long-term commitment that is not reflected in the Historical Financial Statements or the notes thereto and that in any such case is material in relation to the business, operations, properties, assets or financial condition of Holdings and any of its Subsidiaries taken as a whole.

(a) The Pro Forma Financial Statements (i) have been prepared by Borrower in good faith, based on assumptions believed by Borrower on the date hereof to be reasonable, (ii) accurately reflect in all material respects all adjustments necessary to give effect to the Transactions and (iii) present fairly, in all material respects, the pro forma financial position, results of operations and cash flows of Holdings and its Subsidiaries as of the date and for the period specified therein as if the Transactions had occurred on such date or at the beginning of such period, as the case may be.

(b) Since September 30, 2009, no event, circumstance or change has occurred that had, or could reasonably be expected to have, a Material Adverse Effect.

4.5. Projections. The projections of Holdings and its Subsidiaries for the period of Fiscal Year 2010 through and including Fiscal Year 2016 (the **"Projections"**) were prepared in good faith based upon assumptions that were believed by the Credit Parties to be reasonable on and as of the Closing Date (it being understood that (a) such Projections are subject to significant uncertainties and contingencies, many of which are beyond the control of the Credit Parties, (b) no assurances can be given that such Projections will be realized and (c) the actual results may vary from the results projected therein and such variances may be material).

4.6. No Restricted Payments. Since September 30, 2009, neither Holdings nor any of its Subsidiaries has directly or indirectly declared, ordered, paid or made, or set apart any sum or property for, any Restricted Payment or agreed to do so except as permitted pursuant to the Existing Revolving Credit Agreement.

4.7. Properties.

(a) As of the date of this Agreement, Schedule 4.7(a) sets forth the address of each parcel of real property that is located in the United States and is owned or leased by the Credit Parties. Each of such leases and subleases is valid and enforceable in all material respects in accordance with its terms and is in full force and effect in all material respects (except to the extent enforcement may be affected by laws relating to bankruptcy, reorganization, insolvency and creditor's rights and by the availability of injunctive relief, specific performance and other equitable remedies), and to the Credit Parties' knowledge, no default by any party to any such lease or sublease exists. Each of the Credit Parties and its Subsidiaries has good title to, or valid leasehold interests in, all its real and personal property material to its business, subject only to Liens permitted by Section 6.2 and except for minor defects in title that do not materially interfere with its ability to conduct its business as currently conducted.

(b) Each Credit Party and its Subsidiaries has good title to all trademarks, trade names, copyrights, patents and other intellectual property owned by such party and which are material to its business ("**Company Intellectual Property**"). All agreements under which a Credit Party or its Subsidiaries are licensed to use any Intellectual Property owned by a third party are valid and in full force and effect in all material respects. Schedule 4.7(b) sets forth a correct and complete list of all registrations and applications to register Company Intellectual Property, as of the date of this Agreement, and, to the Credit Party's knowledge, the use of such Intellectual Property by the Credit Parties and their Subsidiaries does not infringe upon the rights of any other Person except for any such infringements that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

4.8. Litigation and Environmental Matters. (a) There are no Adverse Proceedings that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or that involve this Agreement or the Transactions.

(b) Except as set forth in Schedule 4.8 and except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, no Credit Party nor any of its Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has become subject to any Environmental Claim, (iii) has received written notice of any claim with respect to any Environmental Claim or (iv) has actual knowledge of any event or circumstance which is reasonably expected to give rise to any Environmental Claim.

(c) Since the date of this Agreement, there has been no change in the status of the actions, suits and proceedings and the environmental matters disclosed in Schedule 4.8 that, individually or in the aggregate, has resulted in, or materially increased the likelihood of, a Material Adverse Effect. No Default has occurred or is continuing.

4.9. Compliance with Laws and Contractual Obligations. Each Credit Party and its Subsidiaries is in compliance with its Organizational Documents and all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all Governmental Authorities and applicable to it or its property and all Contractual Obligations binding upon it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

4.10. Investment Company Status. No Credit Party nor any of its Subsidiaries is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

4.11. Taxes. Each Credit Party and its Subsidiaries has timely filed or caused to be filed all tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which such Person has set aside on its books adequate reserves or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

4.12. ERISA; Employee Benefit Plans. (a) No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect. The present value of all accumulated benefit obligations under each Pension Plan (calculated by an independent enrolled actuary on an actuarial valuation basis in compliance with the Code and ERISA) did not, as of the date of the most recent actuarial valuation report required to be prepared under the Code and ERISA reflecting such amounts, exceed by more than $50,000,000 the fair market value of the assets of such Pension Plan, and the present value of all accumulated benefit obligations of all underfunded Plans (calculated by an independent enrolled actuary on an actuarial valuation basis in compliance with the Code and ERISA) did not, as of the date of the most recent actuarial valuation report required to be prepared under the Code and ERISA reflecting such amounts, exceed by more than $50,000,000 the fair market value of the assets of all such underfunded Pension Plans.

(b) Except as could not reasonably be expected to have a Material Adverse Effect, the accrued benefit obligations of each Foreign Plan (based on those assumptions used to fund such Foreign Plan) with respect to all current and former participants do not exceed the assets of such Foreign Plan.

4.13. Disclosure. Each Credit Party has disclosed to the Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of the reports, financial statements, certificates or other information furnished by or on behalf of any Credit Party to the Administrative Agent or any Lender in connection with the negotiation of this Agreement and the other Credit Documents or delivered hereunder or thereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Any projections and pro forma financial information contained in such materials are based upon good faith estimates and assumptions believed by Borrower to be reasonable at the time made, not misleading; provided that, with respect to projected financial information, the Credit Parties represent only that such information was prepared in good faith based upon assumptions that were believed by the Credit Parties to be reasonable at the time made, it being understood that (a) such projected financial information is subject to significant uncertainties and contingencies, many of which are beyond the control of the Credit Parties, (b) no assurances can be given that such projected financial information will be realized and (c) the actual results may vary from the results projected therein and such variances may be material.

4.14. Use of Credit. No Credit Party nor any of its Subsidiaries owns any Margin Stock, and no part of the proceeds of the Term Loans will be used to buy or carry any Margin Stock.

4.15. Burdensome Agreements. Except as set forth on Schedule 4.15, to such Credit Party's knowledge, no Credit Party nor any of its Subsidiaries is a party to or bound by, nor are any of the properties or assets owned by any Group Member used in the conduct of their respective businesses affected by, any agreement, ordinance, resolution, decree, bond, note,

indenture, order or judgment, including, without limitation, any of the foregoing relating to any Environmental Claim, that could reasonably be expected to result in a Material Adverse Effect.

4.16. Insurance. Schedule 4.16 sets forth a description of all insurance maintained by or on behalf of the Credit Parties and their Subsidiaries as of the Closing Date. As of the Closing Date, all premiums in respect of such insurance have been paid. Holdings and Borrower believes that the insurance maintained by or on behalf of Holdings and its Subsidiaries is reasonably adequate.

4.17. Capitalization and Subsidiaries. Schedule 4.17 sets forth (a) a correct and complete (in all material respects) list of the name and relationship to Holdings of each and all of Holdings' Subsidiaries, (b) a true and complete (in all material respects) listing of each class of each Subsidiary's authorized Equity Interests, of which all of such issued shares are validly issued, outstanding, fully paid and non-assessable, and owned beneficially and of record by the Persons identified on Schedule 4.17, and (c) the type of entity of Holdings and each of its Subsidiaries. All of the issued and outstanding Equity Interests owned by any Credit Party have been (to the extent such concepts are relevant with respect to such ownership interests) duly authorized and issued and are fully paid and non assessable.

4.18. Labor Matters. Except as set forth on Schedule 4.18, (a) no collective bargaining agreement or other labor contract to which any Credit Party or any of its Subsidiaries is a signatory will expire during the term of this Agreement, (b) to such Credit Party's knowledge, no union or other labor organization is seeking to organize, or to be recognized as bargaining representative for, a bargaining unit of employees of any Credit Party or any of its Subsidiaries, (c) there is no pending or, to such Credit Party's knowledge, threatened strike, work stoppage, material unfair labor practice claim or charge, arbitration or other material dispute with any union or other labor organization affecting any Credit Party or any of its Subsidiaries or its union-represented employees, in each case the consequences of which could reasonably be expected to affect the aggregate business (regardless of division or entity) of the Credit Parties and their Subsidiaries, which business generated gross revenues in excess of $50,000,000 individually or in the aggregate in the prior Fiscal Year, and (d) there are no actions, suits, charges, demands, claims, counterclaims or proceedings pending or, to the best of such Credit Party's knowledge, threatened against any Credit Party or any of its Subsidiaries, by or on behalf of, or with, its employees, other than any such actions, suits charges, demands, claims, counterclaims or proceedings arising in the ordinary course of business that could not reasonably be expected to result in a Material Adverse Effect.

4.19. Security Interest in Collateral. (a) The Pledge and Security Agreement is effective to create in favor of Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable security interest under the laws of the United States in the Collateral as further described therein and proceeds thereof. In the case of: (i) the Pledged Collateral constituting Equity Interests, which are securities for the purposes of the UCC and are evidenced by certificates, when certificates representing such Pledged Collateral constituting Equity Interests are delivered to the Collateral Agent, (ii) other Collateral as further described in the Pledge and Security Agreement, when financing statements and other filings specified on Schedule 4.19 in appropriate form are filed in the offices specified on Schedule 4.19, and (iii) property acquired after the date hereof any other action required pursuant to Section 5.13, the

security interest created pursuant to the Pledge and Security Agreement shall constitute valid perfected security interests under the laws of the United States in such Collateral and the proceeds thereof (to the extent a security interest in such Collateral can be perfected through the filing of such financing statements, the delivery of such Pledged Collateral constituting Equity Interests, and the taking of such actions required pursuant to Section 5.13), as security for the Obligations, in each case prior and superior in right to any other Person (except, in the case of Collateral other than Pledged Stock, Liens permitted by Section 6.2).

(b) Each of the Mortgages is effective to create in favor of Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable Lien on the Material Real Estate Assets described therein and proceeds thereof, and when the Mortgages are filed in the offices specified on Schedule 4.19, each such Mortgage shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of, the Credit Parties in the Material Real Estate Assets and the proceeds thereof, as security for the Secured Obligations, in each case prior and superior in right to any other Person.

4.20. Holdings. Holdings is a newly formed special purpose Wholly-Owned Subsidiary of Parent whose business and assets consist exclusively of ownership of Equity Interests of the Borrower.

4.21. Certain Fees. No broker's or finder's fee or commission will be payable with respect to the transactions contemplated by the Purchase Agreement, except as payable to Agents, Lenders or any Affiliates of Agents.

4.22. Solvency. Each Credit Party is on the Closing Date, before and after the consummation of the Transactions to occur on the Closing Date, Solvent.

4.23. Related Agreements. (a) Delivery. Holdings and Borrower have delivered to Administrative Agent complete and correct copies of each Related Agreement and of all exhibits and schedules thereto as of the date hereof.

(b) Conditions Precedent. On the Closing Date, (i) all of the conditions to effecting or consummating the Acquisition set forth in the Related Agreements have been duly satisfied or, with the consent of Administrative Agent (if required hereunder), waived, and (ii) the Acquisition has been consummated in accordance in all material respects with the Related Agreements and all applicable laws.

4.24. PATRIOT Act. To the extent applicable, each Credit Party is in compliance, in all material respects, with (i) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (ii) the PATRIOT Act. No part of the proceeds of the Term Loans will be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

SECTION 5. AFFIRMATIVE COVENANTS

Until the principal of and interest on each Term Loan and all fees, expenses and other amounts payable hereunder shall have been paid in full, each Credit Party, jointly and severally with all of the Credit Parties, covenants and agrees with the Lenders that:

5.1. Financial Statements and Other Information . The Borrower will furnish to Administrative Agent, Collateral Agent and each Lender:

(a) on the date that is the earliest of (i) the date on which Holdings' (or, prior to a Permitted Change of Control Transaction, Griffon's or Holdings') financial statements shall have been filed with the SEC, (ii) the date Holdings' (or, prior to a Permitted Change of Control Transaction, Griffon's or Holdings') financial statements are required to be filed with the SEC (without regard to any extension of the SEC's filing requirements) and (iii) the day which is 120 days after the end of each Fiscal Year of Holdings, (x) the audited consolidated balance sheet and related statements of income, stockholders' equity and cash flows of Holdings and its Subsidiaries as of the end of and for such year, together with segment reporting by business unit consistent with past practice, setting forth in each case in comparative form the figures for the previous Fiscal Year, all reported on by Grant Thornton LLP or other independent public accountants of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of Holdings and its Subsidiaries on a consolidated basis in accordance with GAAP, together with a Financial Officer Certification and a Narrative Report with respect thereto;

(b) on the date that is the earliest of (i) the date on which Holdings' (or prior to a Permitted Change of Control Transaction, Griffon's or Holdings') financial statements shall have been filed with the SEC, (ii) the date Holdings' (or prior to a Permitted Change of Control Transaction, Griffon's or Holdings') financial statements are required to be filed with the SEC (without regard to any extension of the SEC's filing requirements) and (iii) the day which is 60 days after the end of each of the first three quarterly periods of each Fiscal Year of Holdings, commencing with respect to the Fiscal Quarter ending December 31, 2010, the consolidated balance sheet and related consolidated statements of income and cash flows of Holdings and its Subsidiaries as of the end of and for such Fiscal Quarter and the then elapsed portion of the Fiscal Year, together with segment reporting by business unit consistent with past practice, setting forth in each case in comparative form the figures for (or, in the case of the balance sheet, as of the end of) the corresponding period or periods of the previous Fiscal Year, together with a Financial Officer Certification and Narrative Report with respect thereto;

(c) within 30 days after the end of each fiscal month of Holdings (or (i) in the case of a fiscal month which is the last fiscal month of a Fiscal Quarter of Holdings, by the date on which the quarterly financial statements of Holdings are due pursuant to Section 5.01(b) or (ii) in the case of the first six fiscal months ending after the Closing Date, 45 days after the end of such fiscal month of Holdings), commencing with respect

to the fiscal month ended October 31, 2010, (i) the consolidated balance sheets and related consolidated statements of operations, stockholders' equity and cash flows of Holdings and its Subsidiaries as of the end of and for such fiscal month and the then elapsed portion of the Fiscal Year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous Fiscal Year, together with a Financial Officer Certification with respect thereto;

(d) concurrently with any delivery of financial statements under paragraph (a), (b) or (c) of this Section, a Compliance Certificate duly executed and completed, (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) commencing with the certificate for the period ending September 30, 2010, setting forth reasonably detailed calculations of the Interest Coverage Ratio and the Leverage Ratio and demonstrating compliance with Section 6.11, and (iii) stating whether any change in GAAP or in the application thereof has occurred since the date of the Historical Financial Statements referred to in Section 4.4 or since the date of any such notice and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate and delivering one or more statements of reconciliation for all such prior financial statements in form and substance reasonably satisfactory to Administrative Agent;

(e) concurrently with any delivery of financial statements under paragraph (a) of this Section, a certificate of the accounting firm that reported on such financial statements stating whether they obtained knowledge during the course of their examination of such financial statements of any Default arising as a result of non-compliance with Article VI, including Section 6.11, if applicable (which certificate may be limited to the extent required by accounting rules or guidelines);

(f) promptly upon receipt thereof, copies of all other reports submitted to Holdings and its Subsidiaries by its independent certified public accountants in connection with any annual or interim audit or review of the books of Holdings and its Subsidiaries made by such accountants;

(g) annually, as soon as available, but in any event within 45 days after the last day of each Fiscal Year of Holdings, a consolidated plan and financial forecast for such Fiscal Year and each Fiscal Year (or portion thereof) through the final maturity date of the Term Loans (a **"Financial Plan"**), including (i) a forecasted consolidated balance sheet and forecasted consolidated statements of income and cash flows of Holdings and its Subsidiaries for each such Fiscal Year, and an explanation of the assumptions on which such forecasts are based and (ii) forecasted consolidated statements of income and cash flows of Holdings and its Subsidiaries for each fiscal quarter of each such Fiscal Year;

(h) as soon as practicable and in any event by the last day of each Fiscal Year, a certificate from Borrower's insurance broker(s) in form and substance satisfactory to

Administrative Agent outlining all material insurance coverage maintained as of the date of such certificate by Holdings and its Subsidiaries;

(i) promptly following receipt thereof, copies of any documents described in Sections 101(k) or 101(l) of ERISA that Holdings or any ERISA Affiliate may request with respect to any Multiemployer Plan; provided that if Holdings or any of its ERISA Affiliates have not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, then, upon reasonable request of the Administrative Agent, Holdings and/or their ERISA Affiliates shall promptly make a request for such documents or notices from such administrator or sponsor and Holdings shall provide copies of such documents and notices promptly after receipt thereof;

(j) annually, at the time of delivery of annual financial statements with respect to the preceding Fiscal Year pursuant to paragraph (a) of this Section, a certificate of its Authorized Officer (i) either confirming that there has been no change in such information since the date of the Perfection Certificate delivered on the Closing Date or the date of the most recent certificate delivered pursuant to this Section and/or identifying such changes and (ii) certifying that all UCC financing statements (including fixtures filings, as applicable) and all supplemental intellectual property security agreements or other appropriate filings, recordings or registrations, have been filed of record in each governmental, municipal or other appropriate office in each jurisdiction identified pursuant to clause (i) above (or in such Perfection Certificate) to the extent necessary to effect, protect and perfect the security interests under the Collateral Documents for a period of not less than 18 months after the date of such certificate (except as noted therein with respect to any continuation statements to be filed within such period);

(k) if applicable, promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by any Group Member with the SEC, or any Governmental Authority succeeding to any or all of the functions of SEC, or with any national securities exchange, or distributed by any Group Member to its shareholders or to the public generally, as the case may be;

(l) as soon as reasonably practicable and in any event within ten Business Days after the end of each calendar month, a detailed listing of all intercompany loans made by the Credit Parties during such calendar month; and

(m) promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of Holdings or any of its Subsidiaries, or compliance with the terms of this Agreement and the other Credit Documents, as Administrative Agent, Collateral Agent or any Lender may reasonably request.

Documents required to be delivered pursuant to Section 5.01(a), (b), (c) or, if applicable (l) (to the extent any such documents are included in materials otherwise filed with the SEC) shall be deemed to have been delivered on the date (i) on which any of Griffon, Parent, Holdings or Borrower posts such documents or provides a link thereto on Griffon's, Parent's Holdings' or Borrower's website or (ii) on which such documents are posted on Griffon's,

Parent's, Holdings' or Borrower's behalf on Intralinks/IntraAgency, SyndTrak or another relevant website or other information platform (the **"Platform"**), if any, to which each Lender and Administrative Agent have access (whether a commercial, third-party website or whether sponsored by Administrative Agent); provided that the Borrower's Authorized Officer shall notify the Administrative Agent (by telecopier or electronic mail) of the posting of any such documents and provide Administrative Agent with electronic mail versions of such documents.

Holdings, Borrower and each Lender acknowledge that certain of the Lenders may be Public Lenders and, if documents or notices required to be delivered pursuant to this Section 5.1 or otherwise are being distributed through the Platform, any document or notice that Holdings or Borrower has indicated contains Non-Public Information shall not be posted on that portion of the Platform designated for such Public Lenders. Each of Holdings and Borrower agrees to clearly designate all information provided to Administrative Agent by or on behalf of Holdings or Borrower which is suitable to make available to Public Lenders. If Holdings or Borrower has not indicated whether a document or notice delivered pursuant to this Section 5.1 contains Non-Public Information, Administrative Agent reserves the right to post such document or notice solely on that portion of the Platform designated for Lenders who wish to receive material non-public information with respect to Holdings, its Subsidiaries and their securities.

5.2. Notices of Material Events. The Credit Parties will furnish to Administrative Agent, Collateral Agent and each Lender prompt written notice of the following:

(a) the occurrence of any Default;

(b) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting Holdings or any of its Affiliates, other than disputes in the ordinary course of business or, whether or not in the ordinary course of business, disputes involving amounts exceeding $10,000,000 (excluding, however, any actions relating to workers' compensation claims or negligence claims relating to use of motor vehicles, if fully covered by insurance, subject to deductibles);

(c) the occurrence of any ERISA Event, or any fact or circumstance that gives rise to a reasonable expectation that any ERISA Event will occur, that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in liability of Holdings and any of its ERISA Affiliates in an aggregate amount exceeding $50,000,000;

(d) any Lien (other than Permitted Encumbrances) or claim made or asserted against any of the Collateral;

(e) any loss, damage, or destruction to the Collateral in the amount of $5,000,000 or more, whether or not covered by insurance;

(f) any and all default notices received under or with respect to any leased location or public warehouse where Collateral with a value in excess of $1,000,000 is located (which shall be delivered within three Business Days after receipt thereof);

(g) [Reserved];

(h) the fact that a Credit Party has entered into a Hedge Agreement or an amendment to a Hedge Agreement, together with copies of all agreements evidencing such Hedge Agreement or amendments thereto (which shall be delivered within three Business Days following execution and delivery thereof);

(i) any change (i) in any Credit Party's corporate name, (ii) in any Credit Party's corporate structure, (iii) in any Credit Party's jurisdiction of organization or (iv) the organizational identification number, if any, or, with respect to any Credit Party organized under the laws of a jurisdiction that requires such information to be set forth on the face of a UCC financing statement, the Federal Taxpayer Identification Number of such Credit Party (and Holdings and Borrower agree not to effect or permit any change referred to in this clause 5.2(i) unless all filings have been made under the Uniform Commercial Code or otherwise that are required in order for Collateral Agent to continue at all times following such change to have a valid, legal and perfected security interest in all the Collateral as contemplated in the Collateral Documents);

(j) any fact, condition, event or occurrence governed by Environmental Law or any Hazardous Materials Activity that, in any such case, could reasonably be expected to form the basis of an Environmental Claim, or the assertion in writing of any Environmental Claim, by any Person against, or with respect to the activities of, any Group Member and any alleged violation of or non-compliance with any Environmental Laws or any permits, licenses or authorizations, other than any environmental claim or alleged violation that, alone or together with any other such matters that have occurred, could reasonably be expected to result in liability of the Group Members in an aggregate amount exceeding $10,000,000; and

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

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

5.3. Existence; Conduct of Business. Each Credit Party will, and will cause each of its Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges and franchises material to the conduct of its business; provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.3.

5.4. Payment of Obligations. Each Credit Party will, and will cause each of its Subsidiaries to, pay its obligations, including tax liabilities, that, if not paid, could result in a Material Adverse Effect before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings where a claim has been made against the relevant Credit Party, (b) such Credit Party has set aside

on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

5.5. Maintenance of Properties. Each Credit Party will, and will cause each of its Subsidiaries to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, and taking into account the prevailing industry standards and the locations of such property.

5.6. Maintenance of Insurance. Each Credit Party will, and will cause each of its Subsidiaries to, maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations; provided that Borrower may maintain self-insurance consistent with its past practices and policies.

5.7. Books and Records; Inspection Rights. Each Credit Party will, and will cause each of its Subsidiaries to, keep proper books of record and account in which full, true and correct entries in all material respects are made of all dealings and transactions in relation to its business and activities. Each Credit Party will, and will cause each of its Subsidiaries to, permit any Agent or any authorized representatives designated by any Lender to visit and inspect any of the properties of any Credit Party and any of its respective Subsidiaries, to inspect, copy and take extracts from its and their financial and accounting records, and to discuss its and their affairs, finances and accounts with its and their officers and independent public accountants, all upon reasonable notice and at such reasonable times during normal business hours and as often as may reasonably be requested (which, in each case, shall be coordinated through Administrative Agent, reasonably in advance thereof); provided that so long as no Event of Default shall have occurred and be continuing, not more than two such visits or inspections shall be requested during any calendar year.

5.8. Lenders Meetings. Holdings and Borrower will, upon the request of Administrative Agent or Requisite Lenders, participate in a meeting of Administrative Agent and Lenders once during each Fiscal Year to be held at Borrower's corporate offices (or at such other location as may be agreed to by Borrower and Administrative Agent) at such time as may be agreed to by Borrower and Administrative Agent.

5.9. Compliance with Laws and Contractual Obligations. Each Credit Party will, and will cause each of its Subsidiaries to, comply with its Organizational Documents and all applicable laws, statutes, regulations (including any Environmental Laws) and orders of, and all applicable restrictions imposed by, all Governmental Authorities and applicable to it or its property, and all Contractual Obligations binding upon it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

5.10. Use of Proceeds. The proceeds of the Term Loans will only be used by the Borrower to (i) fund the Acquisition, (ii) pay Transaction Costs and (iii) pay all principal, premium, if any, interest, fees and other amounts due or outstanding under the Existing Debt Agreements. No part of the proceeds of any Term Loan issued hereunder will be used, whether

directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations U and X.

5.11. Casualty and Condemnation. Borrower (a) will furnish to Administrative Agent and the Lenders prompt written notice of any casualty or other insured damage to any material portion of the Collateral or the commencement of any action or proceeding for the taking of any material portion of the Collateral or interest therein under power of eminent domain or by condemnation or similar proceeding and (b) will ensure that the Net Insurance/Condemnation Proceeds of any such event (whether in the form of insurance proceeds, condemnation awards or otherwise) are collected and applied in accordance with the applicable provisions of this Agreement and the Collateral Documents.

5.12. Interest Rate Protection. No later than sixty (60) days following the Closing Date and at all times thereafter until the third anniversary of the Closing Date, Borrower shall obtain and cause to be maintained protection against fluctuations in interest rates pursuant to one or more Interest Rate Agreements in form and substance reasonably satisfactory to Administrative Agent, in order to ensure that no less than 50% of the aggregate principal amount of the total Indebtedness for borrowed money of Holdings and its Subsidiaries outstanding as of the Closing Date is either (i) subject to such Interest Rate Agreements or (ii) Indebtedness that bears interest at a fixed rate.

5.13. Collateral; Further Assurances. Each Credit Party will execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust and other documents) that may be required under any applicable law, or that Administrative Agent or Collateral Agent may reasonably request, to cause the Collateral and Guarantee Requirement to be and remain satisfied at all times and otherwise to effectuate the provisions of the Credit Documents, all at the expense of the Credit Parties. Borrower will provide to Administrative Agent and Collateral Agent, from time to time upon request, evidence reasonably satisfactory to Administrative Agent or Collateral Agent, as applicable, as to the perfection and priority of the Liens created or intended to be created by the Collateral Documents.

5.14. Maintenance of Ratings; Cash Management. (a) Unless otherwise consented to by Administrative Agent or Requisite Lenders, the Credit Parties shall use commercially reasonable efforts to maintain a public corporate family rating from Moody's with respect to Holdings, a public corporate credit rating from S&P with respect to Holdings and a public credit rating from each of Moody's and S&P with respect to the Term Loans.

(b) Holdings and its Subsidiaries shall establish and maintain cash management systems reasonably acceptable to Administrative Agent and Collateral Agent.

SECTION 6. NEGATIVE COVENANTS

Until the principal of and interest on each Term Loan and all fees, expenses and other amounts payable hereunder have been paid in full, the Credit Parties, jointly and severally, covenant and agree with the Lenders that:

6.1. Indebtedness; Guarantees. (a) The Credit Parties will not, and will not permit any of their Subsidiaries to, create, incur, assume or permit to exist any Indebtedness, except:

(i) Indebtedness of any Credit Party pursuant to any Credit Document (other than the Intercreditor Agreement);

(ii) Indebtedness of Borrower to any other Group Member and of any Subsidiary of Borrower to any other Group Member; provided that (A) such Indebtedness shall be evidenced by the Intercompany Note, and, if owing to a Credit Party, shall be subject to a First Priority Lien pursuant to the Pledge and Security Agreement, (B) such Indebtedness shall be unsecured and, if owed by a Credit Party, subordinated in right of payment to the payment in full of the Obligations pursuant to the terms of the Intercompany Note, (C) any payment by any Guarantor under the Guarantee of the Obligations shall result in a pro tanto reduction of the amount of any Indebtedness owing by such Guarantor to the Borrower or any other Subsidiary for whose benefit such payment is made and (D) Indebtedness of Group Members which are not Credit Parties to Group Members which are Credit Parties must also be expressly permitted by Section 6.6(c) or (o);

(iii) Indebtedness outstanding on the date hereof and listed on Schedule 6.1(a) and, other than with respect to the Senior Notes, Refinancing Indebtedness in respect thereof;

(iv) Indebtedness (including, without limitation, Capital Lease Obligations) secured by Liens expressly permitted by Section 6.2(e) in an aggregate principal amount (including any Indebtedness that is permitted by Section 6.1(a)(iii) that constitutes Indebtedness of a type permitted by this Section 6.1(a)(iv)) not to exceed $75,000,000 at any time outstanding;

(v) Guarantees expressly permitted by Section 6.1(b);

(vi) Indebtedness arising from the endorsement of instruments, the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn in the ordinary course of business against insufficient funds, or in respect of netting services, overdraft protections or otherwise in connection with the operation of customary deposit accounts in the ordinary course of business;

(vii) Indebtedness arising from agreements providing for indemnification or similar obligations, in each case incurred in connection with an acquisition or other Investment expressly permitted by Section 6.6 or any disposition expressly permitted by Section 6.4;

(viii) Indebtedness in the form of customary obligations under indemnification, incentive, non-compete, consulting, deferred compensation, earn-out (based on the income of the assets acquired after the acquisition thereof) or other customary similar arrangements otherwise permitted hereunder;

(ix) Indebtedness resulting from judgments not resulting in an Event of Default under paragraph (k) of Section 8;

(x) Indebtedness resulting from unfunded pension fund and other employee benefit plan obligations and liabilities to the extent that they are permitted to remain unfunded under applicable law;

(xi) Indebtedness resulting from Hedge Agreements permitted hereunder;

(xii) (I) Indebtedness incurred by Credit Parties that is unsecured so long as, prior to and immediately after giving effect to the incurrence of such Indebtedness, (A) the Credit Parties and their respective Subsidiaries are in compliance with the covenants set forth in Section 6.11 on a Pro Forma Basis, as of the last day of the most recently ended Fiscal Quarter for which financial statements have been delivered pursuant to Section 5.1(a) or (b) (or, prior to the delivery of any such financial statements, the Fiscal Quarter ended June 30, 2010), (B) no Default shall have occurred and be continuing and (C) the aggregate amount of all unsecured Indebtedness (other than Permitted Subordinated Debt) incurred under this clause (xii) shall not exceed $300,000,000 at any time outstanding, and (II) without limiting any of the forgoing, any refinancings, refundings, renewals, replacement, waivers, amendments, amendments and restatements or extensions thereof (without increasing, or shortening the maturity or weighted average life of, the principal amount thereof); provided that (x) after giving effect to any such refinancings, refundings, renewals, replacement, waivers, amendments, amendments and restatements or extensions of Permitted Subordinated Debt, the resulting Indebtedness shall constitute Permitted Subordinated Debt and (y) Indebtedness incurred in reliance on (II) shall be unsecured obligations of the Credit Parties and subject to the limitations of clause (C) above; provided further that, prior to a Permitted Change of Control Transaction, Indebtedness incurred in reliance on this Section 6.1(a)(xii) cannot be Indebtedness owed to Griffon or any of its Subsidiaries other than Permitted Subordinated Indebtedness owed to Griffon in an aggregate principal amount not exceeding $50,000,000;

(xiii) unsecured or secured Indebtedness of Subsidiaries that are not Credit Parties in an aggregate amount (including any Indebtedness that is permitted by Section 6.1(a)(iii) that constitutes Indebtedness of a type permitted by this Section 6.1(a)(xiii)) not to exceed $50,000,000 at any time outstanding;

(xiv) any Indebtedness arising as a result of sale and leaseback transactions specified on Schedule 6.15;

(xv) any Indebtedness of any Person that becomes a Subsidiary (including in connection with an acquisition explicitly permitted by Section 6.4 but

excluding the Acquisition) after the date hereof or Indebtedness of any Person that is assumed by any Subsidiary in connection with an acquisition of assets by such Subsidiary; provided that (A) such Indebtedness exists at the time such Person becomes a Subsidiary or such assets are acquired and is not created in contemplation of or in connection with such Person becoming a Subsidiary or such acquisition, as the case may be, (B) any extensions, renewals and replacements of such Indebtedness shall not increase the original outstanding principal amount thereof, (C) the aggregate principal amount of all such Indebtedness shall not exceed $100,000,000 at any time outstanding and (D) no Group Member (other than such Person that becomes a Subsidiary or the Subsidiary that so assumes such Person's Indebtedness) shall Guarantee or otherwise become liable for the payment of such Indebtedness;

(xvi) Indebtedness of any Subsidiaries of Holdings organized under the laws of Canada pursuant to an asset based lending facility in an aggregate principal amount not to exceed $20,000,000;

(xvii) Indebtedness of the Credit Parties pursuant to the Revolving Credit Documents; provided that the aggregate principal amount and commitments under the Revolving Credit Documents shall not exceed $125,000,000 at any time outstanding; provided further that the aggregate principal amount and commitments under the Revolving Credit Documents may be increased to $150,000,000 if, prior to and after giving effect to such increase and incurrence of Indebtedness, if any, the Leverage Ratio shall not exceed 2.50 to 1.00 (determined based on the Consolidated Adjusted EBITDA for the period of four consecutive Fiscal Quarters ending on the last day of the most recently ended Fiscal Quarter for which financial statements have been delivered pursuant to Section 5.1(a) or (b) (or, prior to the delivery of any such financial statements, the Fiscal Quarter ended June 30, 2010) and after giving effect to the adjustments described in clauses (i) and (ii) of the definition of "Pro Forma Basis"); and

(xviii) in addition to Indebtedness otherwise expressly permitted by this Section, Indebtedness of the Group Members in an aggregate principal amount not to exceed $30,000,000 at any time outstanding.

Notwithstanding anything to the contrary, none of Indebtedness incurred in reliance on this Section 6.1(a) may be Indebtedness owed to Griffon or any of its Subsidiaries (other than Group Members), except for Permitted Subordinated Indebtedness in an aggregate principal amount not exceeding $50,000,000 permitted under Section 6.1(a)(xii). For purposes of determining compliance with this Section 6.1, the Dollar Equivalent of the aggregate amount of any Indebtedness denominated in an Alternative Currency as of the date such Indebtedness is incurred shall be deemed to be the aggregate amount of such Indebtedness, and any fluctuation in the applicable Exchange Rate thereafter shall not affect compliance with this Section 6.1; provided that if any such Indebtedness is refinanced then, to the extent such refinancing is denominated in the same Alternative Currency and in the same principal amount and incurred by the same borrower, the Dollar Equivalent of such refinanced Indebtedness shall be determined using the applicable Exchange Rate as of the date such Indebtedness so refinanced was incurred.

(b) Borrower will not, and will not permit any of its Subsidiaries to, assume, endorse, be or become liable for, or Guarantee, the obligations of any other Person (except by the endorsement of negotiable instruments for deposit or collection in the ordinary course of business), except for:

(i) Guarantees existing on the date hereof and set forth on Schedule 6.1(b);

(ii) Guarantees by any Credit Party of obligations of any Credit Party (including, without limitation, all Indebtedness of a Credit Party expressly permitted under Section 6.1(a));

(iii) Guarantees by any Foreign Subsidiary of obligations incurred pursuant to Section 6.1(a)(xiii);

(iv) Indebtedness consisting of Guarantees of loans made to officers, directors or employees of any Group Member in an aggregate amount which shall not exceed $4,000,000 at any time outstanding; and

(v) in addition to Guarantees otherwise expressly permitted by this Section, Guarantees of the Group Members; provided that the aggregate amount of obligations subject to such Guarantees shall not exceed $30,000,000 at any time.

Notwithstanding the foregoing, any Guarantees made by any Credit Party or any Subsidiaries of any Credit Party in reliance on Section 6.1(b)(iv) or (v) must also be expressly permitted by Section 6.6(c) or (o).

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

(a) Liens created pursuant to (i) the Credit Documents and (ii) subject to the Intercreditor Agreement, Liens on the Collateral granted under the Revolving Credit Documents;

(b) Permitted Encumbrances;

(c) any Lien on any property or asset of any Group Member existing on the date hereof and set forth on Schedule 6.2 (excluding, however, following the making of the Term Loans hereunder on the Closing Date, Liens securing Indebtedness and other obligations under the Existing Debt Agreements); provided that (i) no such Lien shall extend to any other property or asset of any Group Member and (ii) any such Lien shall secure only those obligations which it secures on the date hereof and extensions, renewals, replacements and combinations thereof that do not increase the outstanding principal amount thereof or commitment therefor, in each case, as in effect on the date hereof;

(d) any Lien existing on any property or asset (other than Accounts and Inventory) prior to the acquisition thereof by any Group Member or existing on any property or asset (other than Accounts and Inventory) of any Person that becomes a Subsidiary after the date hereof prior to the time such Person becomes a Subsidiary (including in connection with an acquisition explicitly permitted by Section 6.4 but excluding the Acquisition); provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary, as the case may be, (ii) such Lien shall not apply to any other property or assets of any Group Member and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Subsidiary, as the case may be, and extensions, renewals and replacements thereof that do not increase the original outstanding principal amount thereof;

(e) Liens on fixed or capital assets acquired, constructed or improved by any Group Member (including any Liens permitted by paragraph (c) above that are of a type permitted by this clause (e)); provided that (i) such security interests secure Indebtedness expressly permitted by Section 6.1 incurred to finance such acquisition, construction or improvement, (ii) such security interests and the Indebtedness secured thereby are incurred prior to or within six months after such acquisition or the completion of such construction or improvement, (iii) the Indebtedness secured thereby does not exceed 100% of the cost of acquiring, constructing or improving such fixed or capital assets and (iv) such security interests shall not apply to any other property or assets of any Group Member;

(f) Liens of a collecting bank arising in the ordinary course of business under Section 4-208 of the UCC in effect in the relevant jurisdiction covering only the items being collected upon;

(g) Liens granted by a Subsidiary that is not a Credit Party in favor of Borrower or another Credit Party in respect of Indebtedness owed by such Subsidiary;

(h) Liens granted by any Subsidiaries that are not Credit Parties on assets of any Subsidiaries that are not Credit Parties to secure Indebtedness incurred pursuant to Section 6.1(a)(xiii); provided that any such Liens on assets of Domestic Subsidiaries shall not secure Indebtedness of Foreign Subsidiaries and any such Liens on assets of Foreign Subsidiaries shall not secure Indebtedness of Domestic Subsidiaries;

(i) any interest or title of a lessor under any lease entered into by Borrower or any of its Subsidiaries in the ordinary course of its business and covering only the assets so leased, and any financing statement filed in connection with any such lease;

(j) Liens held by third parties on consigned goods incurred in the ordinary course of business;

(k) bankers' liens and rights to setoff with respect to deposit accounts, in each case, incurred in the ordinary course of business;

(l) Liens on insurance policies and the proceeds thereof securing the financing of the insurance premiums with the providers of such insurance or their Affiliates in respect thereof;

(m) Liens on any assets that are the subject of an agreement for a disposition thereof expressly permitted under Section 6.4 that arise due to the existence of such agreement;

(n) Liens on assets subject to the sale and leaseback transactions specified on Schedule 6.15;

(o) Liens securing Indebtedness permitted under Section 6.1(a)(xvi); provided that such Liens only apply to assets of Subsidiaries of Holdings organized under the laws of Canada that are obligors in respect of such Indebtedness; and

(p) additional Liens not otherwise expressly permitted by this Section on any property or asset of any Group Member securing obligations in an aggregate amount not exceeding $22,500,000 at any time outstanding.

Notwithstanding the foregoing, none of the Liens permitted pursuant to this Section 6.2 may at any time attach to any Credit Party's (1) Accounts, other than those permitted under clause (a) and (e) of the definition of Permitted Encumbrance and clause (a) above and (2) Inventory, other than those permitted under clauses (a), (b) and (e) of the definition of Permitted Encumbrance and clause (a) above.

6.3. Mergers, Consolidations, Etc. No Credit Party will, nor will it permit any of its Subsidiaries to, enter into any transaction of merger or consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), except that (i) any Subsidiary of Borrower may be merged or consolidated with or into Borrower (provided that Borrower shall be the continuing or surviving corporation) or with or into any Subsidiary which is a Credit Party (provided that, in the case of a merger involving a Subsidiary which is a Credit Party and another Subsidiary which is not a Credit Party, such Subsidiary which is a Credit Party shall be the continuing or surviving corporation), (ii) any other Subsidiary of Borrower which is not a Credit Party may be merged or consolidated with or into any other Subsidiary of Borrower which is not a Credit Party, and (iii) any Credit Party may make Permitted Acquisitions in compliance with Section 6.6(d).

6.4. Dispositions. No Credit Party will, nor will it permit any of its Subsidiaries to, convey, sell, lease, transfer or otherwise dispose of, in one transaction or a series of transactions, any part of its business or property, whether now owned or hereafter acquired (including receivables and leasehold interests) (it being understood that the foregoing does not include the issuance by any issuer of Equity Interests), except:

(a) obsolete or worn out property, tools or equipment no longer used or useful in its business;

(b) any inventory or other property sold or disposed of in the ordinary course of business and for fair consideration;

(c) any Subsidiary of Borrower may sell, lease, transfer or otherwise dispose of any or all of its property (upon voluntary liquidation or otherwise) to any Group Member (provided that, in the case of any such transfer by a Subsidiary that is a Credit Party, the transferee must also be a Credit Party);

(d) any Equity Interests of any Subsidiary of Borrower may be sold, transferred or otherwise disposed of to Borrower or any other Subsidiary of Borrower (provided that, in the case of any such transfer by a Credit Party, the transferee must also be a Credit Party);

(e) any Group Member may sell, lease, transfer or otherwise dispose of its property and assets the fair market value of which does not exceed, together with the aggregate fair market value of all other such dispositions by Group Members consummated after the Closing Date in reliance on this Section 6.4(e), $250,000,000; provided (i) any disposition of Equity Interests of any Subsidiary of Borrower must include all Equity Interests of and other Investments in such Subsidiary owned by the Group Members and (ii) prior to and after giving effect to the consummation of any such disposition, (A) no Default shall have occurred and be continuing, and (B) if the fair market value of the property and assets subject to such disposition exceeds $50,000,000, the Credit Parties and their respective Subsidiaries are in compliance with the covenants set forth in Section 6.11 on a Pro Forma Basis, as of the last day of the most recently ended Fiscal Quarter for which financial statements have been delivered pursuant to Section 5.1(a) or (b) (or, prior to the delivery of any such financial statements, the Fiscal Quarter ended June 30, 2010);

(f) the cross-licensing or licensing of intellectual property, in the ordinary course of business;

(g) the dispositions expressly permitted by Section 6.3;

(h) the leasing, occupancy or sub-leasing of real property in the ordinary course of business that would not materially interfere with the required use of such real property by any Group Member;

(i) the sale or discount, in the ordinary course of business, of overdue accounts receivable arising in the ordinary course of business, in connection with the compromise or collection thereof;

(j) transfers of condemned property as a result of the exercise of "eminent domain" or other similar policies to the respective Governmental Authority or agency that has condemned the same (whether by deed in lieu of condemnation or otherwise), and transfers of properties that have been subject to a casualty to the respective insurer of such property as part of an insurance settlement;

(k) Liens expressly permitted by Section 6.2;

(l) Restricted Payments expressly permitted by Section 6.7; and

(m) sales necessary to effect sale and leaseback transactions specified on Schedule 6.15;

provided that all sales, transfers, leases and other dispositions permitted hereby (other than those permitted by paragraphs (a), (c), (d), (f), (g), (i), (j), (k) and (l) above) shall be made for fair value and for at least 75% cash consideration.

6.5. Lines of Business. No Credit Party will, nor will it permit any of its Subsidiaries to, engage to any material extent in any business other than businesses of the type conducted by the Group Members on the Closing Date (after giving effect to the Acquisition) and businesses reasonably related thereto.

6.6. Investments and Acquisitions. No Credit Party will, nor will it permit any of its Subsidiaries to, make or suffer to exist any Investment in any Person or purchase or otherwise acquire (in one transaction or a series of transactions) any assets of any other Person constituting a business unit, except:

(a) Investments in Cash and Cash Equivalents, subject to Control Agreements in favor of Administrative Agent for the benefit of the Secured Parties or otherwise subject to a perfected security interest in favor of Administrative Agent for the benefit of the Secured Parties to the extent required under the Credit Documents;

(b) Investments (other than Investments expressly permitted under paragraph (a) and (b) of this Section) existing on the date hereof and set forth on Schedule 6.6;

(c) Investments by (i) Borrower in any Subsidiary which is a Credit Party or by any Subsidiary of Borrower in any Subsidiary which is a Credit Party or in Borrower; (ii) Holdings in Borrower; (iii) any Subsidiary that is not a Credit Party in any Subsidiary that is not a Credit Party and (iv) any Credit Party (other than Holdings) in a Subsidiary that is not a Credit Party not exceeding $10,000,000 in the aggregate for all Investments by Credit Parties in Subsidiaries that are not Credit Parties;

(d) Any Permitted Acquisition if, prior to and after giving effect to such Permitted Acquisition, (i) the Credit Parties and their respective Subsidiaries are in compliance with the covenants set forth in Section 6.11 on a Pro Forma Basis, as of the last day of the most recently ended Fiscal Quarter for which financial statements have been delivered pursuant to Section 5.1(a) or (b) (or, prior to the delivery of any such financial statements, the Fiscal Quarter ended June 30, 2010) and (ii) no Default shall have occurred and be continuing; provided that (x) the Acquisition Consideration (excluding consideration consisting of (1) Equity Interests (other than Disqualified Equity Interests of Holdings) in Griffon, or, after a Permitted Change of Control Transaction, Holdings and (2) a direct or indirect Cash equity contribution from Griffon to Holdings for the purpose of funding (in whole or in part) such Permitted Acquisition) for such Permitted Acquisition (or a series of related Permitted Acquisitions) does not exceed $100,000,000, (y) the aggregate Acquisition Consideration (excluding consideration consisting of (1) Equity Interests (other than Disqualified Equity Interests of Holdings) in Griffon, or, after a Permitted Change of Control Transaction, Holdings and (2) a direct or

indirect Cash equity contribution from Griffon to Holdings for the purpose of funding (in whole or in part) such Permitted Acquisition) for all Permitted Acquisitions consummated after the Closing Date in reliance on this Section 6.6(d) does not exceed $300,000,000 and (z) the portion of the fair market value of the aggregate Acquisition Consideration (excluding consideration consisting of Equity Interests (other than Disqualified Equity Interests) in Griffon, or, after a Permitted Change of Control Transaction, Holdings) that is attributable to Investments in such Persons that are not Wholly-Owned Domestic Subsidiaries that become Guarantors at the time of such Permitted Acquisition may not exceed $50,000,000 in the aggregate since the Closing Date, except to the extent such Investments are treated, at the time of such Permitted Acquisition, as Investments in such Persons pursuant to this Section 6.6 and such Investments are permitted to be made thereunder (other than pursuant to this clause (d) and Section 6.6(k)) at such time;

(e) purchases of inventory and other property to be sold or used in the ordinary course of business;

(f) any Restricted Payments expressly permitted by Section 6.7;

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

(h) Investments arising in connection with the incurrence of Indebtedness expressly permitted by Section 6.1(a);

(i) Investments (including debt obligations) received in the ordinary course of business by any Group Member in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, customers and suppliers arising out of the ordinary course of business;

(j) Investments of any Group Member under Hedge Agreements expressly permitted hereunder;

(k) Investments of any Person in existence at the time such Person becomes a Subsidiary pursuant to a transaction expressly permitted by any other paragraph of this Section (other than the Acquisition); provided that such Investment was not made in connection with or anticipation of such Person becoming a Subsidiary;

(l) Investments resulting from pledges and deposits referred to in paragraphs (iii) and (iv) of the definition of "Permitted Encumbrances";

(m) the forgiveness or conversion to equity of any Indebtedness expressly permitted by Section 6.1(a)(ii) subject to the limitations in Section 6.6(c);

(n) negotiable instruments and deposits held in the ordinary course of business;

(o) in addition to Investments otherwise expressly permitted by this Section, Investments not exceeding in the aggregate $25,000,000; and

(p) the Acquisition.

6.7. Restricted Payments. (a) No Credit Party will, nor will it permit any of its Subsidiaries to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, except:

(i) each of Holdings and Borrower may declare and pay dividends with respect to its common stock payable solely in additional shares of its common stock;

(ii) Borrower may declare and pay to Holdings (including, without limitation, for further distribution, prior to a Permitted Change of Control Transaction, to Parent and ultimately to Griffon) (x) dividends or other payments to pay the Borrower's allocated share of overhead and expenses (other than interest expense) (provided that any expenses related to or resulting from the accelerated vesting of any equity-based compensation program, time-vested management incentive program or management bonus program of Griffon, Holdings or it Affiliates in connection with a Permitted Change of Control Transaction paid by Borrower to Holdings shall not exceed $20,000,000 in the aggregate) incurred by Holdings in accordance with the exercise of the reasonable business judgment of Holdings, so long as such amounts are used for such purposes within 60 days after such amounts are paid; provided that the payments made pursuant to this Section 6.7(a)(ii)(x) shall be limited to (A) payments by the Borrower to pay its allocated share of (I) audit and accounting fees and expenses, including costs of internal audit, paid or payable to any third-party provider (other than Holdings, Parent, Griffon or any of their respective affiliates); (II) insurance premiums, fees and expenses, including brokerage and other related fees and expenses, paid or payable to any third-party provider (other than Holdings, Parent, Griffon or any of their respective affiliates) and amounts paid or payable in connection with the settlement of any insurance claim to any third party (other than Holdings, Parent, Griffon or any of their respective affiliates); (III) environmental fees and expenses paid or payable to any third-party provider (other than Holdings, Parent, Griffon or any of their respective affiliates); (IV) administration, consulting and other fees and expenses paid or payable to any third-party provider (other than Holdings, Parent, Griffon or any of their respective affiliates) relating to welfare benefits, plans and arrangements, and relating to Griffon's 401(k) plan; and (V) legal, professional and consulting fees and expenses paid or payable to any third-party provider (other than Holdings, Parent, Griffon or any of their respective affiliates) (it being understood that payments by the Borrower to pay its allocated share of the items listed in the foregoing clauses (I) through (V) shall be permitted under this Section 6.7(a)(ii)(x) regardless of amount) and (B) other payments not exceeding $7,500,000 in any Fiscal Year, (y) dividends or other payments that are used to reimburse Griffon for the fair market value, as reasonably determined by the Borrower in good faith, of any grants made to employees of any Group Member pursuant to an equity-based compensation program, time-vested management incentive program or management bonus program of Griffon, Holdings or its Affiliates; provided that any such payments made pursuant to this Section 6.7(a)(ii)(y) shall not exceed $5,000,000 in any Fiscal Year and (z) payments to Griffon, Parent or their respective Affiliates of management fees pursuant to and to the extent expressly contemplated by the Management Agreement as in effect as of the Closing Date, so long as prior to and immediately after giving effect to any such

payments, no Default shall have occurred and be continuing; provided that payments made pursuant to this Section 6.7(a)(ii)(z) in any Fiscal Year shall not exceed the greater of (i) $250,000 and (ii) 7.50% of pre-tax consolidated net income for such Fiscal Year (which, for purposes of this Section 6.7(a)(ii)(z) shall be calculated, for any Fiscal Year, as the net income of the Group Members for such Fiscal Year plus foreign, Federal, state and local income taxes deducted in determining net income for such Fiscal Year); provided that any such payments made pursuant to this Section 6.7(a)(ii) must be deducted (to the extent not already so deducted) from the Consolidated Net Income of Holdings and its Subsidiaries;

(iii) Borrower may declare and pay dividends, distributions or otherwise make payments with respect to its Equity Interests to any Person of which Borrower is a direct or indirect Subsidiary and with whom Borrower files a consolidated, combined, unitary or affiliated income tax return at such time (**"Consolidated Return"**) and in such amounts as shall be required by such Person to pay the tax liability in respect of such return to the extent such liability is directly attributable to the income of Borrower and any Subsidiaries (the **"Borrower Consolidated Group"**) that file with such Person a Consolidated Return; provided that the total amount of any dividends, distributions or payments made pursuant to this clause for any taxable period shall not exceed the amount that the Borrower Consolidated Group would be required to pay in respect of Federal, state and local income Taxes for such period, determined taking into account any available net operating loss carryovers or other tax attributes of the Borrower Consolidated Group as if the Borrower Consolidated Group filed a separate Consolidated Return, less the amount of any such Taxes paid directly by the Borrower Consolidated Group.

(iv) the Credit Parties may make payment of regularly scheduled interest as and when due in respect of any Permitted Subordinated Indebtedness permitted by Section 6.1(xii) owing to Griffon or its Subsidiaries (other than Group Members); and

(v) Borrower may declare and pay to Holdings (including, without limitation, for further distribution, prior to a Permitted Change of Control Transaction to Parent and ultimately to Griffon) dividends not otherwise permitted hereunder in any Fiscal Year (commencing after the end of the Fiscal Year ending September 30, 2011); provided that (a) the aggregate amount of such payments to Holdings pursuant to this Section 6.7(iv) during any Fiscal Year shall not exceed the Consolidated Excess Cash Flow for the previous Fiscal Year minus the amount of prepayment required in respect of such Consolidated Excess Cash Flow pursuant to Section 2.11(d) (it being understood that no Restricted Payments may be made under this clause (iv) until after Borrower makes the prepayment required by Section 2.11(d) for the previous Fiscal Year), (b) prior to and after giving effect to such payment, no Default shall have occurred and be continuing, (c) after giving effect to such payment, the Leverage Ratio shall not exceed 2.75 to 1.00 (determined based on the Consolidated Adjusted EBITDA for the period of four consecutive Fiscal Quarters ending on the last day of the most recently ended Fiscal Quarter for which financial statements have been delivered pursuant to Section 5.1(a) or (b) (or, prior to the delivery of any such financial statements, the Fiscal Quarter ended June 30, 2010) and after giving effect to the adjustments described in clause (i) of the

definition of "Pro Forma Basis") and (d) the Availability under the Revolving Credit Agreement shall be at least 30% of the aggregate commitments under the Revolving Credit Agreement for each of the most recent 30 days (or, if less, the number of days elapsed since the Closing Date) and after giving effect thereto;

provided that nothing herein shall be deemed to prohibit the payment of dividends by any Subsidiary of Borrower to Borrower, any other Subsidiary of Borrower or, if applicable, any minority shareholder of such Subsidiary (in accordance with the percentage of the Equity Interests of such Subsidiary owned by such minority shareholder); provided further that no Restricted Payments may be made to Griffon, Parent or their respective Affiliates (other than Holdings and its Subsidiaries) following a Permitted Change of Control Transaction.

(b) No Credit Party will, nor will it permit any Subsidiary to, make or agree to pay or make, directly or indirectly, any payment or other distribution (whether in cash, securities or other property) of or in respect of principal of or interest on any Indebtedness, or any payment or other distribution (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Indebtedness, except:

(i) payment of Indebtedness created under the Credit Documents or the Revolving Credit Documents or payments on Indebtedness owed by a Subsidiary of a Credit Party to a Credit Party or by a Credit Party to any other Credit Party;

(ii) payments in respect of any Hedge Agreement permitted under this Agreement and payment of regularly scheduled interest and principal payments as and when due in respect of any Indebtedness, other than payments in respect of the Subordinated Indebtedness prohibited by the subordination provisions thereof; provided that principal payments (including, without limitation, any payment due at maturity or any partial or full repayment upon demand or otherwise) in respect of Indebtedness owed to Griffon or any Subsidiary of Griffon that is not a Group Member shall only be permitted so long as, after giving pro forma effect to such payment, (A) no Default shall have occurred and be continuing and (B) the Availability under the Revolving Credit Agreement shall be at least 30% of the aggregate commitments under the Revolving Credit Agreement for each of the most recent 30 days (or, if less, the number of days elapsed since the Closing Date) and after giving effect thereto;

(iii) refinancings of Indebtedness to the extent expressly permitted by Section 6.1; and

(iv) payment of secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness.

6.8. Transactions with Affiliates. No Credit Party will, nor will it permit any of its Subsidiaries to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except:

(a) transactions in the ordinary course of business at prices and on terms and conditions not less favorable to such Group Member than could be obtained on an arm's-length basis from a Person that is not an Affiliate;

(b) transactions (i) between or among Borrower and its Wholly-Owned Subsidiaries that are Credit Parties and not involving any other Affiliate or (ii) between or among Wholly-Owned Foreign Subsidiaries not involving any other Affiliate;

(c) any Investments expressly permitted by Section 6.6; provided that this Section 6.8(c) (i) shall not permit Investments in Equity Interests of Griffon or any of its Subsidiaries (other than Group Members) and (ii) any loans, advances or other Investments made by any Group Member to Griffon or any of its Subsidiaries (other than Group Members) shall be made at prices and on terms and conditions not less favorable to such Group Member than could be obtained on an arm's-length basis from a Person that is not an Affiliate;

(d) any Restricted Payment expressly permitted by Section 6.7; and

(e) any Affiliate who is a natural person may serve as an employee or director of any Credit Party and receive reasonable compensation for his services in such capacity.

6.9. Restrictive Agreements. No Credit Party will, nor will it permit any of its Subsidiaries to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (i) the ability of any Group Member to create, incur or permit to exist any Lien upon any of its property or assets, or (ii) the ability of any Subsidiary to pay dividends or other distributions with respect to any shares of its Equity Interests or to make or repay loans or advances to any Group Member or to Guarantee Indebtedness of any Group Member, except:

(a) restrictions and conditions imposed by law or by this Agreement or by any Revolving Credit Document;

(b) restrictions and conditions existing on the date hereof identified on Schedule 6.9 (but shall apply to any extension or renewal of, or any amendment or modification expanding the scope of, any such restriction or condition);

(c) customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale; provided that such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder; and

(d) (solely with respect to clause (i) above) (i) restrictions or conditions imposed by any agreement (other than any Revolving Credit Document) relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness and (ii) customary provisions in leases and other contracts restricting the assignment thereof; and

(e) (solely with respect to clause (ii) above) (i) restrictions or conditions imposed by any agreement relating to secured Indebtedness of any Foreign Subsidiary permitted

by this Agreement if such restrictions or conditions apply only to the applicable Foreign Subsidiary and (ii) customary provisions in leases and other contracts restricting the assignment thereof.

6.10. Hedge Agreements. No Credit Party will, nor will it permit any of its Subsidiaries to, enter into any Hedge Agreement, other than (a) Hedge Agreements required by Section 5.12 of this Agreement or by any Revolving Credit Document and (b) Hedge Agreements entered into in the ordinary course of business to hedge or mitigate risks to which any Group Member is exposed in the conduct of its business or the management of its liabilities.

6.11. Financial Covenants.

(a) Interest Coverage Ratio. The Credit Parties shall not permit the Interest Coverage Ratio as of the last day of any Fiscal Quarter, beginning with the Fiscal Quarter ending December 31, 2010, to be less than the correlative ratio indicated:

Fiscal Quarter Ending	Interest Coverage Ratio
December 31, 2010	2.90:1.00
March 31, 2011	2.90:1.00
June 30, 2011	2.90:1.00
September 30, 2011	3.00:1.00
December 31, 2011	3.00:1.00
March 31, 2012	3.25:1.00
June 30, 2012	3.25:1.00
September 30, 2012	3.50:1.00
December 31, 2012	3.50:1.00
March 31, 2013	3.75:1.00
June 30, 2013	3.75:1.00
September 30, 2013 and thereafter	4.00:1.00

(b) Leverage Ratio. The Credit Parties shall not permit the Leverage Ratio as of the last day of any Fiscal Quarter, beginning with the Fiscal Quarter ending December 31, 2010, to exceed the correlative ratio indicated:

Fiscal Quarter	Leverage Ratio
December 31, 2010	3.95:1.00
March 31, 2011	3.95:1.00
June 30, 2011	3.75:1.00
September 30, 2011	3.50:1.00
December 31, 2011	3.25:1.00

Fiscal Quarter	Leverage Ratio
March 31, 2012	3.25:1.00
June 30, 2012	3.00:1.00
September 30, 2012	2.75:1.00
December 31, 2012	2.75:1.00
March 31, 2013	2.50:1.00
June 30, 2013	2.50:1.00
September 30, 2013 and thereafter	2.25:1.00

(c) Certain Calculations. For purposes of determining compliance with the financial covenants set forth in Section 6.11 and for any other purposes for which the Leverage Ratio or the Interest Coverage Ratio is determined, with respect to any period during which a Material Acquisition or Material Disposition has occurred, Consolidated Adjusted EBITDA and the components of Consolidated Interest Expense shall be calculated with respect to such period on a pro forma basis to give effect thereto and to any other Material Acquisition or Material Disposition consummated since the first day of such period (including pro forma adjustments arising out of events that are directly attributable thereto, are factually supportable and are expected to have a continuing impact, in each case determined on a basis consistent with Article 11 of Regulation S-X promulgated under the Securities Act, as interpreted by the staff of the SEC, which would include cost savings resulting from head count reduction, closure of facilities and similar restructuring charges, which pro forma adjustments shall be certified by the chief financial officer of Borrower) using the historical financial statements of any assets so acquired or disposed and the consolidated financial statements of Holdings and its Subsidiaries, which shall be reformulated as if such Material Acquisition or Material Disposition, and any Indebtedness incurred or repaid in connection therewith, had been consummated or incurred or repaid at the beginning of such period (and, in the case of any such incurred Indebtedness that bears a floating rate of interest, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period).

6.12. Stock Issuance. No Credit Party will, nor will it permit any of its Subsidiaries to, issue any additional shares, or any right or option to acquire any shares or any security convertible into any shares, of the Equity Interests of any Subsidiary, except (a) the Equity Interests of any Subsidiary in connection with dividends in Equity Interests expressly permitted by Section 6.7, (b) the Equity Interests of any Subsidiary to Borrower or any of its Subsidiaries, (c) the Equity Interests of Holdings (other than Disqualified Equity Interests) issued to Griffon or Parent in consideration of the Equity Contribution, (d) (i) prior to the Permitted Change of Control Transaction, the Equity Interests (other than Disqualified Equity Interests) of Holdings to Griffon and its Subsidiaries (other than any Group Member) and (ii) after the Permitted Change of Control Transaction the Equity Interests (other Disqualified Equity Interests) of Holdings to any Person so long as no Default shall have occurred and be continuing; provided that no Equity Interests of a Credit Party shall be owned by a Subsidiary that is not a Credit Party.

6.13. Modifications of Certain Documents. No Credit Party will, nor will it permit any of its Subsidiaries to, consent to any modification, amendment, supplement or waiver of any of the provisions of (A) its charter, by-laws or other organizational documents or any other agreement or instrument to which any Group Member is a party or is bound, in each case, that could reasonably be expected to have a Material Adverse Effect, (B) except as permitted by Section 6.1(a)(xii)(II), any Permitted Subordinated Debt, in each case, without the prior consent of the Administrative Agent (with the approval of the Requisite Lenders) or (C) the Management Agreement.

6.14. Passive Holding Company Status. Holdings will not (i) conduct, transact or otherwise engage in, or commit to conduct, transact or otherwise engage in, any business or operations other than those incidental to its ownership of the Equity Interests of Borrower, (ii) incur, create, assume or suffer to exist any Indebtedness or other liabilities or financial obligations, except (x) nonconsensual obligations imposed by operation of law, (y) obligations pursuant to the Credit Documents and the Revolving Credit Documents to which it is a party and (z) obligations with respect to its Equity Interests, or (iii) own, lease, manage or otherwise operate any properties or assets (other than Cash, Cash Equivalents and the ownership of shares of Equity Interests of Borrower).

6.15. Sale and Leaseback Transactions. No Credit Party will, nor will it permit any Subsidiary to, enter into any arrangement, directly or indirectly, whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred, except for any such sale of any fixed or capital assets by any Group Member that is made for cash consideration in an amount not less than the fair value of such fixed or capital asset and is consummated within 90 days after such Group Member acquires or completes the construction of such fixed or capital asset. Notwithstanding the foregoing, no transaction or arrangement shall be restricted under this Section 6.15 if, in connection with such transaction or arrangement, any Indebtedness or Lien incurred is permitted to be incurred under Section 6.1 and Section 6.2 and any sale or transfer is treated as a sale under Section 6.4(e) and permitted thereunder.

6.16. Capital Expenditures. (a) The Credit Parties will not, nor will they permit any Subsidiary to, incur or make any Consolidated Capital Expenditures in any Fiscal Year indicated below, in an aggregate amount for Holdings and its Subsidiaries in excess of the corresponding amount set forth below opposite such Fiscal Year.

Fiscal Year Ending		Consolidated Capital Expenditures
September 30, 2010	$	50,000,000
September 30, 2011	$	65,000,000
September 30, 2012	$	40,000,000
September 30, 2013	$	40,000,000
September 30, 2014	$	40,000,000

Fiscal Year Ending		Consolidated Capital Expenditures
September 30, 2015	$	40,000,000
September 30, 2016	$	40,000,000

(b) The amount of any Consolidated Capital Expenditures permitted to be made in respect of any Fiscal Year (commencing with the Fiscal Year ending September 30, 2011) shall be increased by 60% of the unused amount of Consolidated Capital Expenditures that were permitted to be made during the immediately preceding Fiscal Year pursuant to Section 6.16(a), without giving effect to any carryover amount. Consolidated Capital Expenditures in any Fiscal Year shall be deemed to use first, the amount for such Fiscal Year set forth in Section 6.16(a) and, second, any amount carried forward to such Fiscal Year pursuant to this Section 6.16(b).

6.17. Fiscal Year. Holdings shall not permit its Fiscal Year or the Fiscal Year of any of its Subsidiaries to end on a day other than on (or, in the case of certain Subsidiaries, about) September 30.

SECTION 7. GUARANTY

7.1. Guarantee of the Obligations. Subject to the provisions of Section 7.2, Guarantors jointly and severally hereby irrevocably and unconditionally guarantee to Administrative Agent, for the ratable benefit of the Secured Parties the due and punctual payment in full of all Obligations when the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code (collectively, the **"Guaranteed Obligations"**).

7.2. Contribution by Guarantors. All Guarantors desire to allocate among themselves (collectively, the **"Contributing Guarantors"**), in a fair and equitable manner, their obligations arising under the Obligations Guarantee set forth in this Section 7. Accordingly, in the event any payment or distribution is made on any date by a Guarantor (a **"Funding Guarantor"**) under this Obligations Guarantee such that its Aggregate Payments exceeds its Fair Share as of such date, such Funding Guarantor shall be entitled to a contribution from each of the other Contributing Guarantors in an amount sufficient to cause each Contributing Guarantor's Aggregate Payments to equal its Fair Share as of such date. **"Fair Share"** means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (a) the ratio of (i) the Fair Share Contribution Amount with respect to such Contributing Guarantor to (ii) the aggregate of the Fair Share Contribution Amounts with respect to all Contributing Guarantors multiplied by (b) the aggregate amount paid or distributed on or before such date by all Funding Guarantors under this Obligations Guarantee in respect of the Obligations. **"Fair Share Contribution Amount"** means, with respect to a Contributing Guarantor as of any date of determination, the maximum aggregate amount of the obligations of such Contributing Guarantor under this Obligations Guarantee that would not render its obligations hereunder or

thereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of the Bankruptcy Code or any comparable applicable provisions of state law; provided that solely for purposes of calculating the **"Fair Share Contribution Amount"** with respect to any Contributing Guarantor for purposes of this Section 7.2, any assets or liabilities of such Contributing Guarantor arising by virtue of any rights to subrogation, reimbursement or indemnification or any rights to or obligations of contribution hereunder shall not be considered as assets or liabilities of such Contributing Guarantor. **"Aggregate Payments"** means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (1) the aggregate amount of all payments and distributions made on or before such date by such Contributing Guarantor in respect of this Obligations Guarantee (including in respect of this Section 7.2), minus (2) the aggregate amount of all payments received on or before such date by such Contributing Guarantor from the other Contributing Guarantors as contributions under this Section 7.2. The amounts payable as contributions hereunder shall be determined as of the date on which the related payment or distribution is made by the applicable Funding Guarantor. The allocation among Contributing Guarantors of their obligations as set forth in this Section 7.2 shall not be construed in any way to limit the liability of any Contributing Guarantor hereunder. Each Guarantor is a third party beneficiary to the contribution agreement set forth in this Section 7.2.

7.3. Payment by Guarantors. Subject to Section 7.2, Guarantors hereby jointly and severally agree, in furtherance of the foregoing and not in limitation of any other right which any Secured Party may have at law or in equity against any Guarantor by virtue hereof, that upon the failure of Borrower to pay any of the Guaranteed Obligations when and as the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, Guarantors will upon demand pay, or cause to be paid, in Cash, to Administrative Agent for the ratable benefit of Secured Parties, an amount equal to the sum of the unpaid principal amount of all Guaranteed Obligations then due as aforesaid, accrued and unpaid interest on such Guaranteed Obligations (including interest which, but for Borrower's becoming the subject of a case under the Bankruptcy Code, would have accrued on such Guaranteed Obligations, whether or not a claim is allowed against Borrower for such interest in the related bankruptcy case) and all other Guaranteed Obligations then owed to Beneficiaries as aforesaid.

7.4. Liability of Guarantors Absolute. Each Guarantor agrees that its obligations hereunder are irrevocable, absolute, independent and unconditional and shall not be affected by any circumstance which constitutes a legal or equitable discharge of a guarantor or surety other than payment in full in Cash of the Guaranteed Obligations. In furtherance of the foregoing and without limiting the generality thereof, each Guarantor agrees as follows:

(a) this Obligations Guarantee is a guarantee of payment when due and not of collectability. This Obligations Guarantee is a primary obligation of each Guarantor and not merely a contract of surety;

(b) Administrative Agent may enforce this Obligations Guarantee upon the occurrence and during the continuance of an Event of Default notwithstanding the

existence of any dispute between Borrower and any Secured Party with respect to the existence of such Event of Default;

(c) the obligations of each Guarantor hereunder are independent of the obligations of Borrower and the obligations of any other guarantor (including any other Guarantor) of the obligations of Borrower, and a separate action or actions may be brought and prosecuted against such Guarantor whether or not any action is brought against Borrower or any of such other guarantors and whether or not Borrower is joined in any such action or actions;

(d) payment by any Guarantor of a portion, but not all, of the Guaranteed Obligations shall in no way limit, affect, modify or abridge any Guarantor's liability for any portion of the Guaranteed Obligations which has not been paid. Without limiting the generality of the foregoing, if Administrative Agent is awarded a judgment in any suit brought to enforce any Guarantor's covenant to pay a portion of the Guaranteed Obligations, such judgment shall not be deemed to release such Guarantor from its covenant to pay the portion of the Guaranteed Obligations that is not the subject of such suit, and such judgment shall not, except to the extent satisfied by such Guarantor, limit, affect, modify or abridge any other Guarantor's liability hereunder in respect of the Guaranteed Obligations;

(e) any Secured Party, upon such terms as it deems appropriate, without notice or demand and without affecting the validity or enforceability hereof or giving rise to any reduction, limitation, impairment, discharge or termination of any Guarantor's liability hereunder, from time to time may (i) renew, extend, accelerate, increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of the Guaranteed Obligations; (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or any agreement relating thereto and/or subordinate the payment of the same to the payment of any other obligations; (iii) request and accept other guaranties of the Guaranteed Obligations and take and hold security for the payment hereof or the Guaranteed Obligations; (iv) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration, any security for payment of the Guaranteed Obligations, any other guaranties of the Guaranteed Obligations, or any other obligation of any Person (including any other Guarantor) with respect to the Guaranteed Obligations; (v) enforce and apply any security now or hereafter held by or for the benefit of such Secured Party in respect hereof or the Guaranteed Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that such Secured Party may have against any such security, in each case as such Secured Party in its discretion may determine consistent herewith or the applicable Secured Hedge Agreement and any applicable security agreement, including foreclosure on any such security pursuant to one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable, and even though such action operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any other Credit Party or any security for the Guaranteed Obligations; and (vi) exercise any other rights available to it under the Credit Documents or any Secured Hedge Agreements; and

(f) this Obligations Guarantee and the obligations of Guarantors hereunder shall be valid and enforceable and shall not be subject to any reduction, limitation, impairment, discharge or termination for any reason (other than payment in full in cash of the Guaranteed Obligations), including the occurrence of any of the following, whether or not any Guarantor shall have had notice or knowledge of any of them: (i) any failure or omission to assert or enforce or agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy (whether arising under the Credit Documents or any Secured Hedge Agreements, at law, in equity or otherwise) with respect to the Guaranteed Obligations or any agreement relating thereto, or with respect to any other guarantee of or security for the payment of the Guaranteed Obligations; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to events of default) hereof, any of the other Credit Documents, any of the Secured Hedge Agreements or any agreement or instrument executed pursuant thereto, or of any other guarantee or security for the Guaranteed Obligations, in each case whether or not in accordance with the terms hereof or such Credit Document, such Secured Hedge Agreement or any agreement relating to such other guaranty or security; (iii) the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect; (iv) the application of payments received from any source (other than payments received pursuant to the other Credit Documents or any of the Secured Hedge Agreements or from the proceeds of any security for the Guaranteed Obligations, except to the extent such security also serves as collateral for indebtedness other than the Guaranteed Obligations) to the payment of indebtedness other than the Guaranteed Obligations, even though any Secured Party might have elected to apply such payment to any part or all of the Guaranteed Obligations; (v) any Secured Party's consent to the change, reorganization or termination of the corporate structure or existence of Holdings or any of its Subsidiaries and to any corresponding restructuring of the Guaranteed Obligations; (vi) any failure to perfect or continue perfection of a security interest in any collateral which secures any of the Guaranteed Obligations; (vii) any defenses, set-offs or counterclaims which Borrower may allege or assert against any Secured Party in respect of the Guaranteed Obligations, including failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury; and (viii) any other act or thing or omission, or delay to do any other act or thing, which may or might in any manner or to any extent vary the risk of any Guarantor as an obligor in respect of the Guaranteed Obligations.

7.5. Waivers by Guarantors. Each Guarantor hereby waives, to the fullest extent permitted by law, for the benefit of Secured Parties: (a) any right to require any Secured Party, as a condition of payment or performance by such Guarantor, to (i) proceed against Borrower, any other guarantor (including any other Guarantor) of the Guaranteed Obligations or any other Person, (ii) proceed against or exhaust any security held from Borrower, any such other guarantor or any other Person, (iii) proceed against or have resort to any balance of any Deposit Account or credit on the books of any Secured Party in favor of any Credit Party or any other Person, or (iv) pursue any other remedy in the power of any Secured Party whatsoever; (b) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of

Borrower or any other Guarantor, including any defense based on or arising out of the lack of validity or the unenforceability of the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of Borrower or any other Guarantor from any cause other than payment in full in Cash of the Guaranteed Obligations; (c) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (d) any defense based upon any Secured Party's errors or omissions in the administration of the Guaranteed Obligations, except behavior which amounts to bad faith; (e) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of such Guarantor's obligations hereunder, (ii) the benefit of any statute of limitations affecting such Guarantor's liability hereunder or the enforcement hereof, (iii) any rights to set-offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that any Secured Party protect, secure, perfect or insure any security interest or lien or any property subject thereto; (f) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance hereof, notices of default hereunder, under the Credit Documents, the Secured Hedge Agreements or any agreement or instrument related thereto, notices of any renewal, extension or modification of the Guaranteed Obligations or any agreement related thereto, notices of any extension of credit to Borrower or any other Credit Party and notices of any of the matters referred to in Section 7.4 and any right to consent to any thereof; and (g) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms hereof.

7.6. Guarantors' Rights of Subrogation, Contribution, Etc. Until the Guaranteed Obligations shall have been indefeasibly paid in full in Cash, each Guarantor hereby waives to the fullest extent permitted by law any claim, right or remedy, direct or indirect, that such Guarantor now has or may hereafter have against Borrower or any other Guarantor or any of its assets in connection with this Obligations Guarantee or the performance by such Guarantor of its obligations hereunder, in each case whether such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise and including (a) any right of subrogation, reimbursement or indemnification that such Guarantor now has or may hereafter have against Borrower with respect to the Guaranteed Obligations, (b) any right to enforce, or to participate in, any claim, right or remedy that any Secured Party now has or may hereafter have against Borrower, and (c) any benefit of, and any right to participate in, any collateral or security now or hereafter held by any Secured Party. In addition, until the Guaranteed Obligations shall have been indefeasibly paid in full, each Guarantor shall withhold exercise of any right of contribution such Guarantor may have against any other guarantor (including any other Guarantor) of the Guaranteed Obligations, including any such right of contribution as contemplated by Section 7.2. Each Guarantor further agrees that, to the extent the waiver or agreement to withhold the exercise of its rights of subrogation, reimbursement, indemnification and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation, reimbursement or indemnification such Guarantor may have against Borrower or against any collateral or security, and any rights of contribution such Guarantor may have against any such other guarantor, shall be junior and subordinate to any rights any Secured Party may have against Borrower, to all right, title and interest any Secured Party may have in any such collateral or security, and to any right any Secured Party may have against such other guarantor. If any amount shall be paid to any Guarantor on account of any such subrogation,

reimbursement, indemnification or contribution rights at any time when all Guaranteed Obligations shall not have been finally and indefeasibly paid in full in Cash, such amount shall be held in trust for Administrative Agent on behalf of Secured Parties and shall forthwith be paid over to Administrative Agent for the benefit of Secured Parties to be credited and applied against the Guaranteed Obligations, whether matured or unmatured, in accordance with the terms hereof.

7.7. Subordination of Other Obligations. Any Indebtedness of Borrower or any Guarantor now or hereafter held by any Guarantor (the **"Obligee Guarantor"**) is hereby subordinated in right of payment to the Guaranteed Obligations, and any such Indebtedness collected or received by the Obligee Guarantor after an Event of Default has occurred and is continuing shall be held in trust for Administrative Agent on behalf of Secured Parties and shall forthwith be paid over to Administrative Agent for the benefit of Secured Parties to be credited and applied against the Guaranteed Obligations in accordance with the terms of this Agreement but without affecting, impairing or limiting in any manner the liability of the Obligee Guarantor under any other provision hereof.

7.8. Continuing Obligations Guarantee. This Obligations Guarantee is a continuing guarantee and shall remain in effect until all of the Guaranteed Obligations (other than contingent indemnification obligations) shall have been paid in full in Cash. Each Guarantor hereby irrevocably waives any right to revoke this Obligations Guarantee as to future transactions giving rise to any Guaranteed Obligations.

7.9. Authority of Guarantors or Borrower. It is not necessary for any Secured Party to inquire into the capacity or powers of any Guarantor or Borrower or the officers, directors or any agents acting or purporting to act on behalf of any of them.

7.10. Financial Condition of Borrower. Any Credit Extension may be made to Borrower or continued from time to time, and any Secured Hedge Agreements may be entered into from time to time, in each case without notice to or authorization from any Guarantor regardless of the financial or other condition of Borrower at the time of any such grant or continuation or at the time such Secured Hedge Agreement is entered into, as the case may be. No Secured Party shall have any obligation to disclose or discuss with any Guarantor its assessment, or any Guarantor's assessment, of the financial condition of Borrower. Each Guarantor has adequate means to obtain information from Borrower on a continuing basis concerning the financial condition of Borrower and its ability to perform its obligations under the Credit Documents and the Secured Hedge Agreements, and each Guarantor assumes the responsibility for being and keeping informed of the financial condition of Borrower and of all circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations. Each Guarantor hereby waives and relinquishes any duty on the part of any Secured Party to disclose any matter, fact or thing relating to the business, operations or conditions of Borrower now known or hereafter known by any Secured Party.

7.11. Bankruptcy, Etc. (a) So long as any Guaranteed Obligations remain outstanding, no Guarantor shall, without the prior written consent of Administrative Agent acting pursuant to the instructions of Requisite Lenders, commence or join with any other Person in commencing any bankruptcy, reorganization or insolvency case or proceeding of or against Borrower or any other Guarantor. The obligations of Guarantors hereunder shall not be reduced,

limited, impaired, discharged, deferred, suspended or terminated by any case or proceeding, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of Borrower or any other Guarantor or by any defense which Borrower or any other Guarantor may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding.

(b) Each Guarantor acknowledges and agrees that any interest on any portion of the Guaranteed Obligations which accrues after the commencement of any case or proceeding referred to in clause (a) above (or, if interest on any portion of the Guaranteed Obligations ceases to accrue by operation of law by reason of the commencement of such case or proceeding, such interest as would have accrued on such portion of the Guaranteed Obligations if such case or proceeding had not been commenced) shall be included in the Guaranteed Obligations because it is the intention of Guarantors and Secured Parties that the Guaranteed Obligations which are guaranteed by Guarantors pursuant hereto should be determined without regard to any rule of law or order which may relieve Borrower of any portion of such Guaranteed Obligations. Guarantors will permit any trustee in bankruptcy, receiver, debtor-in-possession, assignee for the benefit of creditors or similar Person to pay Administrative Agent, or allow the claim of Administrative Agent in respect of, any such interest accruing after the date on which such case or proceeding is commenced.

(c) In the event that all or any portion of the Guaranteed Obligations are paid by Borrower, the obligations of Guarantors hereunder shall continue and remain in full force and effect or be reinstated, as the case may be, in the event that all or any part of such payment(s) are rescinded or recovered directly or indirectly from any Secured Party as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Guaranteed Obligations for all purposes hereunder.

7.12. Discharge of Obligations Guarantee upon Sale of Guarantor. If all of the Equity Interests of any Guarantor or any of its successors in interest hereunder shall be sold or otherwise disposed of (including by merger or consolidation) to a Person that is not a Group Member in accordance with the terms and conditions hereof, the Obligations Guarantee of such Guarantor or such successor in interest, as the case may be, hereunder shall automatically be discharged and released without any further action by any Secured Party or any other Person effective as of the time of such Asset Sale.

SECTION 8. EVENTS OF DEFAULT

If any one or more of the following events ("Events of Default") shall occur:

(a) the Borrower shall fail to pay any principal of any Term Loan when and as the same shall become due and payable in accordance with the terms hereof, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) the Borrower shall fail to pay any interest on any Term Loan or any fee or any other amount (other than an amount referred to in paragraph (a) of this Section)

payable under this Agreement or under any other Credit Document, when and as the same shall become due and payable in accordance with the terms hereof, and such failure shall continue unremedied for a period of five or more Business Days;

(c) any representation or warranty made or deemed made by or on behalf of any Credit Party in or in connection with this Agreement or any other Credit Document or any amendment or modification hereof or thereof, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement or any other Credit Document or any amendment or modification hereof or thereof, shall prove to have been false or misleading when made or deemed made in any material respect;

(d) any Credit Party shall fail to observe or perform any covenant, condition or agreement contained in Section 2.3, 5.1(a), (b), (c) or (d), 5.2 or 5.3 (with respect to a Credit Party's existence) or in Section 6 or any Credit Party shall default in the performance of any of its obligations contained in Sections 4.1(d), (e) or (f), 4.7(a) or (b), 4.11 or 4.14 of the Pledge and Security Agreement or Article VII of the Pledge and Security Agreement;

(e) any Credit Party shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in paragraph (a), (b) or (d) of this Article) or any other Credit Document and such failure shall continue unremedied for a period of 30 or more days after receipt by Borrower of notice of such default from Administrative Agent or any Lender;

(f) any Group Member shall fail to make any payment (whether of principal or interest and regardless of amount and including any payment in settlement of a Hedge Agreement) in respect of any Material Indebtedness, when and as the same shall become due and payable, and such failure shall continue unremedied beyond the grace period, if any, provided therefor;

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

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any Group Member, or, prior to the Permitted Change of Control Transaction, Griffon or Parent, of its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Group Member, or, prior to the Permitted Change of Control Transaction, Griffon

or Parent, for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed or undischarged for a period of 60 or more days or an order or decree approving or ordering any of the foregoing shall be entered;

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

(j) any Group Member or, prior to the Permitted Change of Control Transaction, Griffon or Parent shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(k) one or more judgments for the payment of money in an aggregate amount in excess of $15,000,000 shall be rendered against any Group Member or any combination thereof, and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed or vacated or, in respect with such judgment, any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any Group Member to enforce any such judgment;

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

(m) a Change of Control shall occur;

(n) any material provision of any Credit Document for any reason ceases to be valid, binding and enforceable in accordance with its terms (or any Credit Party shall challenge the enforceability of any Credit Document or shall assert in writing, or engage in any action based on any such written assertion, that any provision of any of the Credit Documents has ceased to be or otherwise is not valid, binding and enforceable in accordance with its terms)

(o) the Obligations Guarantee contained in Section 7 shall for whatever reason cease to be in full force and effect or any Credit Party or any Affiliate of any Credit Party shall so assert;

or

(p) the Liens created by the Collateral Documents shall at any time not constitute a valid and perfected Lien on the Collateral intended to be covered thereby (to the extent

perfection by filing, registration, recordation or possession is required herein or therein), free and clear of all other Liens (other than Liens expressly permitted under Section 6.2 or under the Collateral Documents), or, except for expiration in accordance with its terms, any of the Collateral Documents shall for whatever reason be terminated or cease to be in full force and effect, or any Credit Party or any Affiliate of any Credit Party shall so assert, or the enforceability thereof shall be contested by any Credit Party or any Affiliate of any Credit Party;

then, (1) upon the occurrence of any Event of Default described in clause (h) or (i) of this Section, automatically, and (2) upon the occurrence and during the continuance of any other Event of Default, at the request of (or with the consent of) Requisite Lenders, upon notice to Borrower by Administrative Agent, (A) each of the following shall immediately become due and payable, in each case without presentment, demand, protest or other requirements of any kind, all of which are hereby expressly waived by each Credit Party: (I) the unpaid principal amount of and accrued interest on the Term Loans, and (II) all other Obligations and (B) Administrative Agent may cause Collateral Agent to enforce any and all Liens and security interests created pursuant to Collateral Documents.

SECTION 9. AGENTS

9.1. Appointment of Agents. GSLP and DBSI are hereby appointed Syndication Agents hereunder, and each Lender hereby authorizes GSLP and DBSI to act as Syndication Agents in accordance with the terms hereof and of the other Credit Documents. GSLP is hereby appointed Administrative Agent and Collateral Agent hereunder and under the other Credit Documents and each Lender hereby authorizes GSLP to act as Administrative Agent and Collateral Agent in accordance with the terms hereof and of the other Credit Documents. Each Agent hereby agrees to act in its capacity as such upon the express conditions contained herein and in the other Credit Documents, as applicable. The provisions of this Section 9 are solely for the benefit of Agents and Lenders and no Credit Party shall have any rights as a third party beneficiary of any of the provisions thereof. In performing its functions and duties hereunder, each Agent shall act solely as an agent of Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for Holdings or any of its Subsidiaries. Each Syndication Agent, without consent of or notice to any party hereto, may assign any and all of its rights or obligations hereunder to any of its Affiliates. As of the Closing Date, GSLP and DBSI, solely in their capacity as Syndication Agent, shall not have any obligations under the Credit Documents but shall be entitled to the benefits of this Section 9. Each Syndication Agent and any other Person appointed under the Credit Documents to serve in an agent or similar capacity may resign from such role at any time, with immediate effect, by giving prior written notice thereof to Administrative Agent and Borrower.

9.2. Powers and Duties. Each Lender irrevocably authorizes each Agent to take such action on such Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Credit Documents as are specifically delegated or granted to such Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. Each Agent shall have only those duties and responsibilities that are expressly specified herein and in the other Credit Documents. Each Agent may exercise such powers,

rights and remedies and perform such duties by or through its agents or employees. No Agent shall have, by reason hereof or any of the other Credit Documents, a fiduciary relationship in respect of any Lender; and nothing herein or any of the other Credit Documents, expressed or implied, is intended to or shall be so construed as to impose upon any Agent any obligations in respect hereof or of any of the other Credit Documents except as expressly set forth herein or therein.

9.3. General Immunity. (a) No Responsibility for Certain Matters. No Agent shall be responsible to any Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or any other Credit Document or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by any Agent to Lenders or by or on behalf of any Credit Party to any Agent or any Lender in connection with the Credit Documents and the transactions contemplated thereby or for the financial condition or business affairs of any Credit Party or any other Person liable for the payment of any Obligations, nor shall any Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Credit Documents or as to the use of the proceeds of the Term Loans or as to the existence or possible existence of any Default or to make any disclosures with respect to the foregoing. Anything contained herein to the contrary notwithstanding, Administrative Agent shall not have any liability arising from confirmations of the amount of outstanding Term Loans or the component amounts thereof.

(b) Exculpatory Provisions. No Agent nor any of its Related Parties shall be liable to Lenders for any action taken or omitted by any Agent under or in connection with any of the Credit Documents except to the extent caused by such Agent's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction. Each Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Credit Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until such Agent shall have received instructions in respect thereof from Requisite Lenders (or such other Lenders as may be required to give such instructions under Section 10.5) and, upon receipt of such instructions from Requisite Lenders (or such other Lenders, as the case may be), such Agent shall be entitled to act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions. Without prejudice to the generality of the foregoing, (i) each Agent shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for Holdings and its Subsidiaries), accountants, experts and other professional advisors selected by it; and (ii) no Lender shall have any right of action whatsoever against any Agent as a result of such Agent acting or (where so instructed) refraining from acting hereunder or any of the other Credit Documents in accordance with the instructions of Requisite Lenders (or such other Lenders as may be required to give such instructions under Section 10.5).

(c) Delegation of Duties. Each of Administrative Agent and Collateral Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Credit Document by or through any one or more sub-agents appointed by Administrative Agent or Collateral Agent, as applicable. Each of Administrative Agent and Collateral Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory, indemnification and other provisions of this Section 9.3 and of Section 9.6 shall apply to any the Affiliates of each of Administrative Agent and Collateral Agent and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent or Collateral Agent, as applicable. All of the rights, benefits, and privileges (including the exculpatory and indemnification provisions) of this Section 9.3 and of Section 9.6 shall apply to any such sub-agent and to the Affiliates of any such sub-agent, and shall apply to their respective activities as sub-agent as if such sub-agent and Affiliates were named herein. Notwithstanding anything herein to the contrary, with respect to each sub-agent appointed by Administrative Agent or Collateral Agent, as applicable, (i) such sub-agent shall be a third party beneficiary under this Agreement with respect to all such rights, benefits and privileges (including exculpatory rights and rights to indemnification) and shall have all of the rights and benefits of a third party beneficiary, including an independent right of action to enforce such rights, benefits and privileges (including exculpatory rights and rights to indemnification) directly, without the consent or joinder of any other Person, against any or all of Credit Parties and the Lenders, (ii) such rights, benefits and privileges (including exculpatory rights and rights to indemnification) shall not be modified or amended without the consent of such sub-agent, and (iii) such sub-agent shall only have obligations to Administrative Agent or Collateral Agent, as applicable and not to any Credit Party, Lender or any other Person and no Credit Party, Lender or any other Person shall have any rights, directly or indirectly, as a third party beneficiary or otherwise, against such sub-agent.

9.4. Agents Entitled To Act as Lender. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, any Agent in its individual capacity as a Lender hereunder. With respect to its participation in the Term Loans, each Agent shall have the same rights and powers hereunder as any other Lender and may exercise the same as if it were not performing the duties and functions delegated to it hereunder, and the term "Lender" shall, unless the context clearly otherwise indicates, include each Agent in its individual capacity. Any Agent and its Affiliates may accept deposits from, lend money to, own securities of, and generally engage in any kind of banking, trust, financial advisory or other business with Holdings or any of its Affiliates as if it were not performing the duties specified herein, and may accept fees and other consideration from Borrower for services in connection herewith and otherwise without having to account for the same to Lenders.

9.5. Lenders' Representations, Warranties and Acknowledgment. (a) Each Lender represents and warrants that it has made its own independent investigation of the financial condition and affairs of Holdings and its Subsidiaries in connection with Credit Extensions hereunder and that it has made and shall continue to make its own appraisal of the creditworthiness of Holdings and its Subsidiaries. No Agent shall have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any

such appraisal on behalf of Lenders or to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Term Loans or at any time or times thereafter, and no Agent shall have any responsibility with respect to the accuracy of or the completeness of any information provided to Lenders.

(b) Each Lender, by delivering its signature page to this Agreement or an Assignment Agreement and funding its Term Loan on the Closing Date shall be deemed to have acknowledged receipt of, and consented to and approved, each Credit Document and each other document required to be approved by any Agent, Requisite Lenders or Lenders, as applicable on the Closing Date.

9.6. Right to Indemnity. Each Lender, in proportion to its Pro Rata Share, severally agrees to indemnify each Agent, to the extent that such Agent shall not have been reimbursed by any Credit Party, for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Agent in exercising its powers, rights and remedies or performing its duties hereunder or under the other Credit Documents or otherwise in its capacity as such Agent in any way relating to or arising out of this Agreement or the other Credit Documents; provided, no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Agent's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction. If any indemnity furnished to any Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided that in no event shall this sentence require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's Pro Rata Share thereof; and provided further that this sentence shall not be deemed to require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement described in the proviso in the immediately preceding sentence.

9.7. Successor Administrative Agent and Collateral Agent. (a) Administrative Agent shall have the right to resign at any time by giving prior written notice thereof to Lenders and Borrower and Administrative Agent may be removed at any time with or without cause by an instrument or concurrent instruments in writing delivered to Borrower and Administrative Agent and signed by Requisite Lenders. Administrative Agent shall have the right to appoint a financial institution to act as Administrative Agent and/or Collateral Agent hereunder, subject to the reasonable satisfaction of Borrower and the Requisite Lenders, and Administrative Agent's resignation shall become effective on the earliest of (i) 30 days after delivery of the notice of resignation, (ii) the acceptance of such successor Administrative Agent by Borrower and the Requisite Lenders or (iii) such other date, if any, agreed to by the Requisite Lenders. Upon any such notice of resignation or any such removal, if a successor Administrative Agent has not already been appointed by the retiring Administrative Agent, Requisite Lenders shall have the right, upon five Business Days' notice to Borrower, to appoint a successor Administrative Agent. If neither Requisite Lenders nor Administrative Agent have appointed a successor Administrative Agent, Requisite Lenders shall be deemed to have succeeded to and become

vested with all the rights, powers, privileges and duties of the retiring Administrative Agent; provided that, until a successor Administrative Agent is so appointed by Requisite Lenders or Administrative Agent, any collateral security held by Administrative Agent in its role as Collateral Agent on behalf of the Lenders under any of the Credit Documents shall continue to be held by the retiring Collateral Agent as nominee until such time as a successor Collateral Agent is appointed. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, that successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Administrative Agent and the retiring or removed Administrative Agent shall promptly (i) transfer to such successor Administrative Agent all sums, Securities and other items of Collateral held under the Collateral Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Administrative Agent under the Credit Documents, and (ii) execute and deliver to such successor Administrative Agent such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Administrative Agent of the security interests created under the Collateral Documents, whereupon such retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder. Except as provided above, any resignation or removal of GSLP or its successor as Administrative Agent pursuant to this Section shall also constitute the resignation or removal of GSLP or its successor as Collateral Agent. After any retiring or removed Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Section 9 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent hereunder. Any successor Administrative Agent appointed pursuant to this Section shall, upon its acceptance of such appointment, become the successor Collateral Agent for all purposes hereunder.

(b) In addition to the foregoing, Collateral Agent may resign at any time by giving prior written notice thereof to Lenders and the Grantors, and Collateral Agent may be removed at any time with or without cause by an instrument or concurrent instruments in writing delivered to the Grantors and Collateral Agent signed by Requisite Lenders. Administrative Agent shall have the right to appoint a financial institution as Collateral Agent hereunder, subject to the reasonable satisfaction of Borrower and the Requisite Lenders and Collateral Agent's resignation shall become effective on the earliest of (i) 30 days after delivery of the notice of resignation, (ii) the acceptance of such successor Collateral Agent by Borrower and the Requisite Lenders or (iii) such other date, if any, agreed to by the Requisite Lenders. Upon any such notice of resignation or any such removal, Requisite Lenders shall have the right, upon five Business Days' notice to Administrative Agent, to appoint a successor Collateral Agent. Until a successor Collateral Agent is so appointed by Requisite Lenders or Administrative Agent, any collateral security held by Collateral Agent on behalf of the Lenders under any of the Credit Documents shall continue to be held by the retiring Collateral Agent as nominee until such time as a successor Collateral Agent is appointed. Upon the acceptance of any appointment as Collateral Agent hereunder by a successor Collateral Agent, that successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Collateral Agent under this Agreement and the Collateral Documents, and the retiring or removed Collateral Agent under this Agreement shall promptly (i) transfer to such successor Collateral Agent

all sums, Securities and other items of Collateral held hereunder or under the Collateral Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Collateral Agent under this Agreement and the Collateral Documents, and (ii) execute and deliver to such successor Collateral Agent or otherwise authorize the filing of such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Collateral Agent of the security interests created under the Collateral Documents, whereupon such retiring or removed Collateral Agent shall be discharged from its duties and obligations under this Agreement and the Collateral Documents. After any retiring or removed Collateral Agent's resignation or removal hereunder as the Collateral Agent, the provisions of this Agreement and the Collateral Documents shall inure to its benefit as to any actions taken or omitted to be taken by it under this Agreement or the Collateral Documents while it was the Collateral Agent hereunder.

9.8. Collateral Documents and Obligations Guarantee. (a) Agents under Collateral Documents and Obligations Guarantee. Each Secured Party hereby further authorizes Administrative Agent or Collateral Agent, as applicable, on behalf of and for the benefit of Secured Parties, to be the agent for and representative of Secured Parties with respect to the Obligations Guarantee, the Collateral and the Collateral Documents; provided that neither Administrative Agent nor Collateral Agent shall owe any fiduciary duty, duty of loyalty, duty of care, duty of disclosure or any other obligation whatsoever to any holder of Obligations with respect to any Secured Hedge Agreement. Subject to Section 10.5, without further written consent or authorization from any Secured Party, Administrative Agent or Collateral Agent, as applicable, may execute any documents or instruments necessary to (i) in connection with a sale or disposition of assets permitted by this Agreement, release any Lien encumbering any item of Collateral that is the subject of such sale or other disposition of assets or to which Requisite Lenders (or such other Lenders as may be required to give such consent under Section 10.5) have otherwise consented or (ii) release any Guarantor from the Obligations Guarantee pursuant to Section 7.12 or with respect to which Requisite Lenders (or such other Lenders as may be required to give such consent under Section 10.5) have otherwise consented.

(b) Right to Realize on Collateral and Enforce Obligations Guarantee. Anything contained in any of the Credit Documents to the contrary notwithstanding, Borrower, Administrative Agent, Collateral Agent and each Secured Party hereby agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Obligations Guarantee, it being understood and agreed that all powers, rights and remedies hereunder may be exercised solely by Administrative Agent, on behalf of the Secured Parties in accordance with the terms hereof and all powers, rights and remedies under the Collateral Documents may be exercised solely by Collateral Agent, and (ii) in the event of a foreclosure by Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, Collateral Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and Collateral Agent, as agent for and representative of Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless Requisite Lenders shall otherwise agree in writing) 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 public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by Collateral Agent at such sale or other disposition.

(c) Rights under Secured Hedge Agreements. No Secured Hedge Agreement will create (or be deemed to create) in favor of any Secured Hedge Counterparty that is a party thereto any rights in connection with the management or release of any Collateral or of the obligations of any Guarantor under the Credit Documents except as expressly provided in Section 10.5(c)(i) of this Agreement and Section 5.2 of the Pledge and Security Agreement. By accepting the benefits of the Collateral, such Secured Hedge Counterparty shall be deemed to have appointed Collateral Agent as its agent and agreed to be bound by the Credit Documents as a Secured Party, subject to the limitations set forth in this clause (c).

(d) Release of Collateral and Guarantees, Termination of Credit Documents. Notwithstanding anything to the contrary contained herein or any other Credit Document, when all Obligations (other than obligations in respect of any Secured Hedge Agreement or contingent indemnification obligations) have been paid in full and all Term Loan Commitments have terminated or expired, upon request of Borrower, Administrative Agent shall (without notice to, or vote or consent of, any Lender, or any Secured Hedge Counterparty) take such actions as shall be required to release its security interest in all Collateral, and to release all guarantee obligations provided for in any Credit Document, whether or not on the date of such release there may be outstanding Obligations in respect of Secured Hedge Agreements. Any such release of guarantee obligations shall be deemed subject to the provision that such guarantee obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made. Notwithstanding the foregoing, upon the request of Borrower in connection with any disposition of assets or property of any Credit Party permitted hereunder other than to other Credit Parties, Administrative Agent shall (without notice to, or vote or consent of, any Lender, or any affiliate of any Lender that is a party to any Secured Hedge Agreement) take such actions as shall be required to release its security interest in all Collateral being disposed of in such disposition, and to release any guarantee obligations provided for in any Credit Document of any Person being disposed of in such disposition, to the extent necessary to permit consummation of such disposition in accordance with the Credit Documents; provided that Administrative Agent shall be entitled to receive and rely upon a certificate of Borrower reasonably satisfactory to it to the effect that such dispositions and the release of security interests and Guarantee Obligations, if applicable, are permitted hereunder.

9.9. Withholding Taxes. To the extent required by any applicable law, Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable Taxes. Each Lender shall severally indemnify the Administrative Agent for any such Taxes (but

only to the extent that a Credit Party has not already indemnified the Administrative Agent for such Taxes and without limiting the obligation of the Credit Parties to do so) attributable to such Lender that are paid or payable by the Administrative Agent in connection with Credit 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. The indemnity under this Section 9.9 shall be paid within 10 days after the Administrative Agent delivers to the applicable Lender a certificate stating the amount of Taxes so paid or payable by the Administrative Agent. Such certificate shall be conclusive of the amount so paid or payable absent manifest error.

SECTION 10. MISCELLANEOUS

10.1. Notices. (a) Notices Generally. Any notice or other communication herein required or permitted to be given to a Credit Party, Syndication Agent, Collateral Agent or Administrative Agent, shall be sent to such Person's address as set forth on Appendix B or in the other relevant Credit Document, and in the case of any Lender, the address as indicated on Appendix B or otherwise indicated to Administrative Agent in writing. Except as otherwise set forth in paragraph (b) below, each notice hereunder shall be in writing and may be personally served or sent by telefacsimile (except for any notices sent to Administrative Agent) or United States mail or courier service and shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof, upon receipt of telefacsimile, or three Business Days after depositing it in the United States mail with postage prepaid and properly addressed; provided that no notice to any Agent shall be effective until received by such Agent; provided further that any such notice or other communication shall at the request of Administrative Agent be provided to any sub-agent appointed pursuant to Section 9.3(c) hereto as designated by Administrative Agent from time to time.

(b) Electronic Communications.

(i) Notices and other communications to any Agent and Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites, including the Platform) pursuant to procedures approved by Administrative Agent; provided that the foregoing shall not apply to notices to any Agent or any Lender pursuant to Section 2 if such Person has notified Administrative Agent that it is incapable of receiving notices under such Section by electronic communication. Administrative Agent or Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Unless Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications

posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(ii) Each Credit Party understands that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution and agrees and assumes the risks associated with such electronic distribution, except to the extent caused by the willful misconduct or gross negligence of Administrative Agent, as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(iii) The Platform and any Approved Electronic Communications are provided "as is" and "as available". None of the Agents nor any of their respective Related Parties warrants the accuracy, adequacy, or completeness of the Approved Electronic Communications or the Platform, and each of the Agents and its Related Parties expressly disclaims liability for errors or omissions in the Platform and the Approved Electronic Communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by any Agent or any of its Related Parties in connection with the Platform or the Approved Electronic Communications.

(iv) Each Credit Party and each Lender agrees that Administrative Agent may, but shall not be obligated to, store any Approved Electronic Communications on the Platform in accordance with Administrative Agent's customary document retention procedures and policies.

(v) Any notice of Default may be provided by telephone if confirmed promptly thereafter by delivery of written notice thereof.

(c) Private Side Information Contacts. Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable law, including United States Federal and state securities laws, to make reference to information that is not made available through the "Public Side Information" portion of the Platform and that may contain Non-Public Information with respect to Holdings, its Subsidiaries or their securities for purposes of United States Federal or state securities laws. In the event that any Public Lender has determined for itself to not access any information disclosed through the Platform or otherwise, such Public Lender acknowledges that (i) other Lenders may have availed themselves of such information and (ii) neither Borrower nor Administrative Agent has any responsibility for such Public Lender's decision to limit the scope of the information it has obtained in connection with this Agreement and the other Credit Documents.

10.2. Expenses. Whether or not the transactions contemplated hereby shall be consummated, Borrower agrees to pay promptly (a) all the actual and reasonable documented costs and expenses incurred in connection with the negotiation, preparation and execution of the Credit Documents and any consents, amendments, waivers or other modifications thereto; (b) all the costs of furnishing all opinions by counsel for Borrower and the other Credit Parties; (c) the actual and reasonable documented fees, expenses and disbursements of counsel to Agents in connection with the negotiation, preparation, execution and administration of the Credit Documents (including exercise of any rights under Section 5.7) and any consents, amendments, waivers or other modifications thereto and any other documents or matters requested by Borrower, it being agreed that Borrower shall not be responsible for the fees and expenses of more than one counsel for both Agents and the Lenders plus, if necessary, one local counsel per jurisdiction plus, in the case of an actual or potential conflict of interest, one additional counsel per group of affected parties; (d) all the actual and reasonable documented costs and reasonable expenses of creating, perfecting, recording, maintaining and preserving Liens in favor of Collateral Agent, for the benefit of Secured Parties, including filing and recording fees, expenses and taxes, stamp or documentary taxes, search fees, title insurance premiums and reasonable fees, expenses and disbursements of counsel to each Agent and of counsel providing any opinions that any Agent or Requisite Lenders may request in respect of the Collateral or the Liens created pursuant to the Collateral Documents; (e) all the actual and reasonable documented costs, fees, expenses and disbursements of any auditors, accountants, consultants or appraisers; (f) all actual and reasonable documented costs and expenses (including the reasonable fees, expenses and disbursements of any appraisers, consultants, advisors and agents employed or retained by Collateral Agent and its counsel) in connection with the enforcement, exercise or protection of the rights of any Agent in connection with the Credit Documents, including the rights under this Section, in connection with the Term Loans, and custody or preservation of any of the Collateral; (g) all other actual and reasonable documented costs and expenses incurred by each Agent in connection with the syndication of the Term Loans and Term Loan Commitments and the transactions contemplated by the Credit Documents and any consents, amendments, waivers or other modifications thereto; and (h) after the occurrence of a Default, all actual costs and expenses, including reasonable attorneys' fees and costs of settlement, incurred by any Agent and Lenders in enforcing any Obligations of or in collecting any payments due from any Credit Party hereunder or under the other Credit Documents by reason of such Default (including in connection with the sale, lease or license of, collection from, or other realization upon any of the Collateral or the enforcement of the Obligations Guarantee) or in connection with any refinancing or restructuring of the credit arrangements provided hereunder in the nature of a "work-out" or pursuant to any insolvency or bankruptcy cases or proceedings.

10.3. Indemnity. (a) In addition to the payment of expenses pursuant to Section 10.2, whether or not the transactions contemplated hereby shall be consummated, each Credit Party agrees to defend (subject to Indemnitees' selection of counsel), indemnify, pay and hold harmless, each Agent, Arranger and Lender and each of their respective officers, partners, members, directors, trustees, advisors, employees, agents, sub-agents and affiliates (each, an **"Indemnitee"**), from and against any and all Indemnified Liabilities; provided that no Credit Party shall have any obligation to any Indemnitee hereunder with respect to any Indemnified Liabilities to the extent such Indemnified Liabilities arise from the gross negligence or willful misconduct of such Indemnitee, in each case, as determined by a final, non-appealable judgment of a court of competent jurisdiction. To the extent that the undertakings to defend, indemnify,

pay and hold harmless set forth in this Section 10.3 may be unenforceable in whole or in part because they are violative of any law or public policy, the applicable Credit Party shall contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them.

(b) To the extent permitted by applicable law, no Credit Party shall assert, and each Credit Party hereby waives, any claim against each Lender, each Agent, Arranger and their respective Affiliates, directors, employees, attorneys, agents or sub-agents, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) arising out of, in connection with, as a result of, or in any way related to, this Agreement or any Credit Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, any Term Loan or the use of the proceeds thereof or any act or omission or event occurring in connection therewith, and Holdings and Borrower and each Credit Party hereby waives, releases and agrees not to sue upon any such claim or any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

10.4. Set-Off. In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence and during the continuance of any Event of Default each Lender is hereby authorized by each Credit Party at any time or from time to time subject to the consent of Administrative Agent (such consent not to be unreasonably withheld or delayed), without notice to any Credit Party or to any other Person (other than Administrative Agent), any such notice being hereby expressly waived, to set off and to appropriate and to apply any and all deposits (general or special, including Indebtedness evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts) and any other Indebtedness at any time held or owing by such Lender to or for the credit or the account of any Credit Party against and on account of the obligations and liabilities of any Credit Party to such Lender hereunder or under the other Credit Documents, including all claims of any nature or description arising out of or connected hereto, irrespective of whether or not (a) such Lender shall have made any demand hereunder or (b) the principal of or the interest on the Term Loans or any other amounts due hereunder shall have become due and payable pursuant to Section 2 and although such obligations and liabilities, or any of them, may be contingent or unmatured. If any Lender exercises its rights of set-off pursuant to this Section 10.4, such Lender agrees to reasonably promptly notify Borrower thereof (provided that any failure to give such notice shall not affect the validity of any set-off under this Section).

10.5. Amendments and Waivers. (a) Requisite Lenders' Consent. Subject to the additional requirements of Sections 10.5(b) and 10.5(c), no amendment, modification, termination or waiver of any provision of the Credit Documents, or consent to any departure by any Credit Party therefrom, shall in any event be effective without the written concurrence of Requisite Lenders; provided that Administrative Agent may, with the consent of Borrower only, amend, modify or supplement this Agreement to cure any ambiguity, omission, defect or inconsistency, so long as such amendment, modification or supplement does not adversely affect the rights of any Lender.

(b) Affected Lenders' Consent. Without the written consent of each Lender that would be directly affected thereby, no amendment, modification, termination, or consent shall be effective if the effect thereof would:

(i) extend the scheduled final maturity of any Term Loan or Note;

(ii) waive, reduce or postpone any scheduled repayment (but not prepayment);

(iii) reduce the rate of interest on any Term Loan (other than any waiver of any increase in the interest rate applicable to any Term Loan pursuant to Section 2.7) or any fee (including any prepayment fees) or any premium payable hereunder;

(iv) extend the scheduled time for payment of any such interest or fees;

(v) reduce the principal amount of any Term Loan;

(vi) amend, modify, terminate or waive any provision of this Section 10.5(b), Section 10.5(c) or any other provision of this Agreement that expressly provides that the consent of all Lenders is required;

(vii) amend the definition of **"Requisite Lenders"** or **"Pro Rata Share"**; provided that with the consent of Requisite Lenders, additional extensions of credit made under this Agreement may be included in the determination of **"Requisite Lenders"** or **"Pro Rata Share"** on substantially the same basis as the Term Loan Commitments and the Term Loans are included on the Closing Date;

(viii) release all or substantially all of the Collateral from the Liens of the Collateral Documents or Guarantors representing all or substantially all of the value of the Obligations Guarantee from their obligations under the Obligations Guarantee (or limit liability of all or substantially all of the Guarantors in respect of such Obligations Guarantee), except as expressly provided in the Credit Documents; or

(ix) consent to the assignment or transfer by any Credit Party of any of its rights and obligations under any Credit Document;

provided that, for the avoidance of doubt, all Lenders shall be deemed directly affected thereby with respect to any amendment described in clauses (vi), (vii), (viii) and (ix).

(c) Other Consents. No amendment, modification, termination or waiver of any provision of the Credit Documents, or consent to any departure by any Credit Party therefrom, shall:

(i) amend, modify or waive this Agreement or the Pledge and Security Agreement so as to alter the ratable treatment of Obligations arising under the Credit Documents and Obligations arising under Secured Hedge Agreements or the definition of " **Hedge Agreement**," "**Obligations**," "**Secured Hedge Agreement**," "**Secured Hedge Counterparty**," or "**Secured Hedge Obligations**" (as defined in any applicable

Collateral Document), in each case in a manner adverse to any Hedge Counterparty with Obligations then outstanding without the written consent of any such Hedge Counterparty; or

(ii) amend, modify, terminate or waive any provision of Section 9 as the same applies to any Agent, or any other provision hereof as the same applies to the rights or obligations of any Agent, in each case without the consent of such Agent.

(d) Execution of Amendments, Etc. Administrative Agent may, but shall have no obligation to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on any Credit Party in any case shall entitle any Credit Party to any other or further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or consent effected in accordance with this Section 10.5 shall be binding upon each Lender at the time outstanding, each future Lender and, if signed by a Credit Party, on such Credit Party.

10.6. Successors and Assigns; Participations. (a) Generally. This Agreement shall be binding upon the parties hereto and their respective successors and assigns permitted hereby and shall inure to the benefit of the parties hereto, their respective successors and assigns of Lenders. No Credit Party's rights or obligations hereunder nor any interest therein may be assigned or delegated by any Credit Party without the prior written consent of all Lenders (and any attempted assignment or delegation without such consent shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, the participants referred to in Section 10.6(g) (to the extent provided in clause (iii) of such Section) and, to the extent expressly contemplated hereby, Affiliates of each of the Agents, Arrangers and Lenders and other Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Register. Borrower, Administrative Agent, Collateral Agent and Lenders shall deem and treat the Persons listed as Lenders in the Register as the holders and owners of the corresponding Term Loan Commitments and Term Loans listed therein for all purposes hereof, and no assignment or transfer of any such Term Loan Commitment or Term Loan shall be effective, in each case, unless and until recorded in the Register following receipt by Administrative Agent of a fully executed Assignment Agreement effecting the assignment or transfer thereof, together with the required forms and certificates regarding tax matters and any fees payable in connection with such assignment, in each case, as provided in Section 10.6(d). Each assignment shall be recorded in the Register promptly following receipt by the Administrative Agent of the fully executed Assignment Agreement and all other necessary documents and approvals, prompt notice thereof shall be provided to Borrower and a copy of such Assignment Agreement shall be maintained, as applicable. The date of such recordation of a transfer shall be referred to herein as the **"Assignment Effective Date."** Any request, authority or consent of any Person who, at the time of making such request or giving such authority or consent, is listed in the Register as a Lender shall be conclusive and binding on any

subsequent holder, assignee or transferee of the corresponding Term Loan Commitments or Term Loans. Following repurchase and cancellation by Borrower of Term Loans pursuant to Section 2.10(c), Administrative Agent shall make appropriate entries in the Register to reflect any such cancelation.

(c) Right to Assign. Each Lender shall have the right at any time to sell, assign or transfer all or a portion of its rights and obligations under this Agreement, including all or a portion of its Term Loan Commitment or Term Loans owing to it or other Obligations:

(i) to any Person meeting the criteria of clause (i) of the definition of the term of "Eligible Assignee" upon the giving of notice to Borrower and Administrative Agent; and

(ii) to any Person meeting the criteria of clause (ii) of the definition of the term of "Eligible Assignee" upon giving of notice to Borrower and Administrative Agent and (except in the case of assignments made by or to GSLP and its Affiliates or DBTCA and its Affiliates) consented to by Borrower (which consent shall not be (x) unreasonably withheld or delayed or (y) required at any time an Event of Default shall have occurred and then be continuing and which consent shall be deemed to be given unless Borrower objects thereto by written notice to Administrative Agent within five days after having received notice thereof)); provided further that each such assignment pursuant to this Section 10.6(c)(ii) shall be in an aggregate amount of not less than $1,000,000 (or such lesser amount as may be agreed to by Borrower and Administrative Agent or as shall constitute the aggregate amount of the Term Loans of the assigning Lender) with respect to the assignment of Term Loans.

(d) Mechanics. Assignments and assumptions of Term Loans and Term Loan Commitments by Lenders shall be effected by manual execution and delivery to Administrative Agent of an Assignment Agreement. Assignments made pursuant to the foregoing provision shall be effective as of the Assignment Effective Date. In connection with all assignments there shall be delivered to Administrative Agent such forms, certificates or other evidence, if any, with respect to United States Federal income tax withholding matters as the assignee under such Assignment Agreement may be required to deliver pursuant to Section 2.17(c), together with payment to the Administrative Agent of a registration and processing fee of $3,500 (except that no such registration and processing fee shall be payable (y) in connection with an assignment by or to GSLP or any Affiliate thereof or (z) in the case of an Assignee that is already a Lender or is an Affiliate or Related Fund of a Lender or a Person under common management with a Lender).

(e) Representations and Warranties of Assignee. Each Lender, upon execution and delivery hereof or upon succeeding to an interest in the Term Loan Commitments and Term Loans, as the case may be, represents and warrants as of the Closing Date or as of the applicable Assignment Effective Date, as applicable, that (i) it is an Eligible Assignee; (ii) it has experience and expertise in the making of or investing in commitments or loans such as the applicable Term Loan Commitments or Term Loans,

as the case may be; and (iii) it will make or invest in, as the case may be, its Term Loan Commitments or Term Loans for its own account in the ordinary course and without a view to distribution of such Term Loan Commitments or Term Loans within the meaning of the Securities Act or the Exchange Act or other Federal securities laws (it being understood that, subject to the provisions of this Section 10.6, the disposition of such Term Loan Commitments or Term Loans or any interests therein shall at all times remain within its exclusive control).

(f) Effect of Assignment. Subject to the terms and conditions of this Section 10.6, as of the "Assignment Effective Date" (i) the assignee thereunder shall have the rights and obligations of a "Lender" hereunder to the extent of its interest in the Term Loans and Term Loan Commitments as reflected in the Register and shall thereafter be a party hereto and a "Lender" for all purposes hereof; (ii) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned to the assignee, relinquish its rights (other than any rights which survive the termination hereof under Section 10.8) and be released from its obligations hereunder (and, in the case of an assignment covering all or the remaining portion of an assigning Lender's rights and obligations hereunder, such Lender shall cease to be a party hereto on the Assignment Effective Date; provided that anything contained in any of the Credit Documents to the contrary notwithstanding, such assigning Lender shall continue to be entitled to the benefit of all indemnities hereunder as specified herein with respect to matters arising out of the prior involvement of such assigning Lender as a Lender hereunder); (iii) the Term Loan Commitments shall be modified to reflect any Term Loan Commitment of such assignee and any Term Loan Commitment of such assigning Lender, if any; and (iv) if any such assignment occurs after the issuance of any Note hereunder, the assigning Lender shall, upon the effectiveness of such assignment or as promptly thereafter as practicable, surrender its applicable Notes to Administrative Agent for cancellation, and thereupon Borrower shall issue and deliver new Notes, if so requested by the assignee and/or assigning Lender, to such assignee and/or to such assigning Lender, with appropriate insertions, to reflect the new outstanding Term Loans of the assignee and/or the assigning Lender.

(g) Participations.

(i) Each Lender shall have the right at any time to sell one or more participations to any Person (other than to Griffon, Parent, any Credit Party or any Affiliates thereof, excluding GSLP and its Affiliates (other than Griffon, Parent, Holdings or any of their respective Subsidiaries)) in all or any part of its Term Loan Commitments, Term Loans or in any other Obligation.

(ii) The holder of any such participation, other than an Affiliate of the Lender granting such participation, shall not be entitled to require such Lender to take or omit to take any action hereunder except with respect to any amendment, modification, waiver or consent that is described in Section 10.5(b) that affects such participant or requires the approval of all Lenders (it being understood that a waiver of any Default shall not constitute a change in the terms of such participation).

(iii) Borrower agrees that each participant shall be entitled to the benefits of Sections 2.15(c), 2.16 and 2.17 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (c) of this Section; provided, (x) a participant shall not be entitled to receive any greater payment under Section 2.16 or 2.17 than the applicable Lender would have been entitled to receive with respect to the participation sold to such participant, unless the sale of the participation to such participant is made with Borrower's prior written consent, (y) a participant that would be a Non-US Lender if it were a Lender shall not be entitled to the benefits of Section 2.17 unless Borrower is notified of the participation sold to such participant and such participant agrees, for the benefit of Borrower, to comply with Section 2.17 as though it were a Lender and (z) each Lender that sells a participation (acting solely for this purpose as an agent of the Borrower) shall maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Commitments, Term Loans or in any other Obligation (the **"Participant Register"**) and no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Term Loans or in any other Obligation) except to the extent that such disclosure is necessary to establish that such Commitments, Term Loans or interest in any other Obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations; provided further that, except as specifically set forth in clauses (x), (y) and (z) of this sentence, nothing herein shall require any notice to Borrower or any other Person in connection with the sale of any participation. The entries in the Participant Register shall be conclusive and such Lender, each Credit Party and the Administrative Agent shall treat each Person whose name is recorded in the Participant Register pursuant to the terms hereof as the owner of such participation for all purposes of this Agreement, notwithstanding notice to the contrary. To the extent permitted by law, each participant also shall be entitled to the benefits of Section 10.4 as though it were a Lender, provided such participant agrees to be subject to Section 2.14 as though it were a Lender.

(h) Certain Other Assignments and Participations. In addition to any other assignment or participation permitted pursuant to this Section 10.6, any Lender may assign, pledge and/or grant a security interest in all or any portion of its Term Loans, the other Obligations owed by or to such Lender, and its Notes, if any, to secure obligations of such Lender including any Federal Reserve Bank as collateral security pursuant to Regulation A of the Board of Governors and any operating circular issued by such Federal Reserve Bank; provided that no Lender, as between Borrower and such Lender, shall be relieved of any of its obligations hereunder as a result of any such assignment and pledge, and provided further that in no event shall the applicable Federal Reserve Bank, pledgee or trustee be considered to be a "Lender" or be entitled to require the assigning Lender to take or omit to take any action hereunder.

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

10.8. Survival of Representations, Warranties and Agreements. All representations, warranties and agreements made herein shall survive the execution and delivery hereof and the making of the Term Loans on the Closing Date. Notwithstanding anything herein or implied by law to the contrary, the agreements of each Credit Party set forth in Sections 2.15(c), 2.16, 2.17, 10.2, 10.3 and 10.4 and the agreements of Lenders set forth in Sections 2.14, 9.3(b) and 9.6 shall survive the payment of the Terms Loans and the termination hereof.

10.9. No Waiver; Remedies Cumulative. No failure or delay on the part of any Agent or any Lender in the exercise of any power, right or privilege hereunder or under any other Credit Document shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other power, right or privilege. The rights, powers and remedies given to each Agent and each Lender hereby are cumulative and shall be in addition to and independent of all rights, powers and remedies existing by virtue of any statute or rule of law or in any of the other Credit Documents or any of the Secured Hedge Agreements. Any forbearance or failure to exercise, and any delay in exercising, any right, power or remedy hereunder shall not impair any such right, power or remedy or be construed to be a waiver thereof, nor shall it preclude the further exercise of any such right, power or remedy.

10.10. Marshalling; Payments Set Aside. Neither any Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Credit Party or any other Person or against or in payment of any or all of the Obligations. To the extent that any Credit Party makes a payment or payments to Administrative Agent or Lenders (or to Administrative Agent, on behalf of Lenders), or any Agent or Lender enforces any security interests or exercises any right of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, any other state or Federal law, common law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred.

10.11. Severability. In case any provision in or obligation hereunder or under any other Credit Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

10.12. Obligations Several; Independent Nature of Lenders' Rights. The obligations of Lenders hereunder are several and no Lender shall be responsible for the obligations or Commitment of any other Lender hereunder. Nothing contained herein or in any other Credit Document, and no action taken by Lenders pursuant hereto or thereto, shall be deemed to constitute Lenders as a partnership, an association, a joint venture or any other kind of entity. The amounts payable at any time hereunder to each Lender shall be a separate and independent debt, and each Lender shall be entitled to protect and enforce its rights arising out hereof and it shall not be necessary for any other Lender to be joined as an additional party in any proceeding for such purpose.

10.13. Headings. Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.

10.14. APPLICABLE LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF.

10.15. CONSENT TO JURISDICTION. SUBJECT TO CLAUSE (E) OF THE FOLLOWING SENTENCE, ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY PARTY ARISING OUT OF OR RELATING HERETO OR ANY OTHER CREDIT DOCUMENTS, OR ANY OF THE OBLIGATIONS, SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE, COUNTY AND CITY OF NEW YORK. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH CREDIT PARTY, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, IRREVOCABLY (A) ACCEPTS GENERALLY AND UNCONDITIONALLY THE EXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS (OTHER THAN WITH RESPECT TO ACTIONS BY ANY AGENT IN RESPECT OF RIGHTS UNDER ANY SECURITY AGREEMENT GOVERNED BY LAWS OTHER THAN THE LAWS OF THE STATE OF NEW YORK OR WITH RESPECT TO ANY COLLATERAL SUBJECT THERETO); (B) WAIVES ANY DEFENSE OF FORUM NON CONVENIENS; (C) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE CREDIT PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 10.1; (D) AGREES THAT SERVICE AS PROVIDED IN CLAUSE (C) ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE CREDIT PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT; AND (E) AGREES THAT AGENTS AND LENDERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO BRING PROCEEDINGS AGAINST ANY CREDIT PARTY IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY SECURITY DOCUMENT OR THE ENFORCEMENT OF ANY JUDGMENT.

10.16. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR UNDER ANY OF THE OTHER CREDIT DOCUMENTS OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS LOAN TRANSACTION OR THE LENDER/BORROWER RELATIONSHIP THAT IS BEING ESTABLISHED. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL

INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 10.16 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO OR ANY OF THE OTHER CREDIT DOCUMENTS OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE LOANS MADE HEREUNDER. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

10.17. Confidentiality. Each Agent and each Lender shall hold all non-public information regarding Borrower and its Subsidiaries and their businesses identified as such by Borrower and obtained by such Agent or such Lender pursuant to the requirements hereof in accordance with such Agent's and such Lender's customary procedures for handling confidential information of such nature, it being understood and agreed by Borrower that, in any event, the Administrative Agent may disclose such information to the Lenders and each Agent and each Lender may make (i) disclosures of such information to Affiliates of such Lender or Agent and to its and their respective Related Parties (and to other Persons authorized by a Lender or Agent to organize, present or disseminate such information in connection with disclosures otherwise made in accordance with this Section 10.17), (ii) disclosures of such information reasonably required by any bona fide or potential assignee, transferee or participant in connection with the contemplated assignment, transfer or participation of any Term Loans or other Obligations or any participations therein or by any direct or indirect contractual counterparties (or the professional advisors thereto) to any swap or derivative transaction relating to the Credit Parties and their obligations (provided, such assignees, transferees, participants, counterparties and advisors are advised of and agree to be bound by either the provisions of this Section 10.17 or other provisions at least as restrictive as this Section 10.17), (iii) disclosure to any rating agency when required by it; provided that, prior to any disclosure, such rating agency shall undertake in writing to preserve the confidentiality of any confidential information relating to the Credit Parties received by it from any Agent or any Lender, (iv) disclosures in connection with the exercise of any remedies hereunder or under any other Credit Document, (v) disclosures in customary "tombstone" or similar advertisements, (vi) disclosures necessary for the obtaining of CUSIP numbers for the Term Loans and (vii) disclosures required or requested by any governmental agency or representative thereof or by the NAIC or pursuant to legal or judicial process; provided that unless specifically prohibited by applicable law or court order, each Lender and each Agent shall make reasonable efforts to notify Borrower of any request by any governmental agency or representative thereof (other than any such request in connection with any examination of the financial condition or other routine examination of such Lender by such governmental agency) for disclosure of any such non-public information prior to disclosure of such information. In addition, each Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, similar service

providers to the lending industry, and service providers to the Agents and the Lenders in connection with the administration and management of this Agreement and the other Credit Documents.

10.18. Usury Savings Clause. Notwithstanding any other provision herein, the aggregate interest rate charged with respect to any of the Obligations, including all charges or fees in connection therewith deemed in the nature of interest under applicable law shall not exceed the Highest Lawful Rate. If the rate of interest (determined without regard to the preceding sentence) under this Agreement at any time exceeds the Highest Lawful Rate, the outstanding amount of the Term Loans made hereunder shall bear interest at the Highest Lawful Rate until the total amount of interest due hereunder equals the amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect. In addition, if when the Term Loans made hereunder are repaid in full the total interest due hereunder (taking into account the increase provided for above) is less than the total amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect, then to the extent permitted by law, Borrower shall pay to Administrative Agent an amount equal to the difference between the amount of interest paid and the amount of interest which would have been paid if the Highest Lawful Rate had at all times been in effect. Notwithstanding the foregoing, it is the intention of Lenders and Borrower to conform strictly to any applicable usury laws. Accordingly, if any Lender contracts for, charges, or receives any consideration which constitutes interest in excess of the Highest Lawful Rate, then any such excess shall be cancelled automatically and, if previously paid, shall at such Lender's option be applied to the outstanding amount of the Term Loans made hereunder or be refunded to Borrower.

10.19. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

10.20. Effectiveness; Entire Agreement. Subject to Section 3, this Agreement shall become effective when it shall have been executed by the Administrative Agent and there shall have been delivered to the Administrative Agent counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging shall be effective as delivery of a manually executed counterpart of this Agreement. This Agreement and the other Credit Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof (but do not supersede any other provisions of the Commitment Letter that do not by the terms of such documents terminate upon the effectiveness of this Agreement, all of which provisions shall remain in full force and effect (such terms, the **"Surviving Terms"**)). With the exception of the Surviving Terms, all obligations of the Arrangers and their respective Related Parties under the Commitment Letter shall terminate and be superseded by the Credit Documents, and the Arrangers and their respective Related Parties shall be released from all liability in connection therewith, including any claim for injury or damages, whether consequential, special, direct, indirect, punitive or otherwise. Borrower hereby assumes all obligations of Parent and Clopay Acquisition Corp. under the Commitment Letter with respect to the Surviving Terms.

10.21. PATRIOT Act. Each Lender and Administrative Agent (for itself and not on behalf of any Lender) hereby notifies each Credit Party that pursuant to the requirements of the PATRIOT Act, it is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Lender or Administrative Agent, as applicable, to identify such Credit Party in accordance with the PATRIOT Act.

10.22. Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Assignment Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

10.23. No Fiduciary Duty. Each Agent, each Lender and their respective Affiliates (collectively, solely for purposes of this paragraph, the **"Lenders"**), may have economic interests that conflict with those of the Credit Parties, their stockholders and/or their affiliates. Each Credit Party agrees that nothing in the Credit 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 Credit Party, its stockholders or its affiliates, on the other. The Credit Parties acknowledge and agree that (i) the transactions contemplated by the Credit 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 Credit Parties, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Credit Party, its stockholders or its 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 Credit Party, its stockholders or its Affiliates on other matters) or any other obligation to any Credit Party except the obligations expressly set forth in the Credit Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Credit Party, its management, stockholders, creditors or any other Person. Each Credit Party acknowledges and agrees that it has consulted its own legal 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. Each Credit Party agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Credit Party, in connection with such transaction or the process leading thereto.

[Remainder of page intentionally left blank**]**

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

CLOPAY AMES TRUE TEMPER HOLDING CORP.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY AMES TRUE TEMPER LLC

By: /s/ Seth L. Kaplan
Name: Seth K. Kaplan
Title: Senior Vice President

CLOPAY PLASTIC PRODUCTS COMPANY, INC.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY BUILDING PRODUCTS COMPANY, INC.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY BUILDING PRODUCTS INTERNATIONAL SALES CORPORATION

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Vice President and Treasurer

CLOPAY TRANSPORTATION COMPANY

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY ACQUISITION CORP.

By: /s/ Seth L. Kaplan
Name: Seth K. Kaplan
Title: Senior Vice President

CHATT HOLDINGS INC.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

ATT HOLDING CO.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

AMES TRUE TEMPER, INC.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

AMES U.S. HOLDING CORP.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President, Treasurer and Secretary

AMES TRUE TEMPER PROPERTIES, INC.

By: /s/ David Nuti
Name: David Nuti
Title: CFO and Assistant Secretary

GOLDMAN SACHS LENDING PARTNERS LLC,
as Administrative Agent, Collateral Agent and a Lender

By: /s/ Alexis Maged
Authorized Signatory

Ex-10.2

EXECUTION VERSION

J.P.Morgan

AMENDED AND RESTATED CREDIT AGREEMENT

dated as of

September 30, 2010

among

CLOPAY AMES TRUE TEMPER HOLDING CORP.,
as Borrower,

CLOPAY AMES TRUE TEMPER LLC,
as Holdings,

CERTAIN SUBSIDIARIES OF CLOPAY AMES TRUE TEMPER HOLDING CORP.,
as Guarantors,

The Lenders Party Hereto

and

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

J.P. MORGAN SECURITIES LLC and DEUTSCHE BANK SECURITIES INC.,
as Joint Lead Arrangers, Joint Bookrunners and Co-Syndication Agents

WELLS FARGO CAPITAL FINANCE, LLC and U.S. BANK, N.A.,
as Co-Documentation Agents

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EXHIBITS:

AMENDED AND RESTATED CREDIT AGREEMENT dated as of September 30, 2010 (as it may be amended or modified from time to time, this "Agreement"), among CLOPAY AMES TRUE TEMPER LLC, a Delaware limited liability company ("Holdings"), CLOPAY AMES TRUE TEMPER HOLDING CORP., a Delaware corporation (the "Borrower"), the other Loan Parties party hereto, the Lenders party hereto, and JPMORGAN CHASE BANK, N.A., as Administrative Agent.

W I T N E S S E T H

WHEREAS, Clopay Acquisition Corp., a Delaware corporation and a subsidiary of the Borrower (" Acquisition Sub"), has entered into the Stock Purchase Agreement, dated as of July 19, 2010 (the "Acquisition Agreement"), with CHATT Holdings Inc., a Delaware corporation (the "Target") and CHATT Holdings LLC, pursuant to which Acquisition Sub has agreed to acquire all of the Equity Interests of the Target and its subsidiaries (the "Acquisition");

WHEREAS, to fund, in part, the Acquisition, the Borrower will incur term loans in an aggregate principal amount of $375,000,000;

WHEREAS, certain Subsidiaries of the Borrower are parties to the Credit Agreement, dated as of June 24, 2008, as amended, among Clopay Building Products Company, Inc., a Delaware corporation ("Clopay Building"), as a borrower, Clopay Plastic Products Company, Inc., a Delaware corporation ("Clopay Plastic"), as a borrower, JPMorgan Chase Bank, N.A., as administrative agent and the other lender parties thereto (the " Existing Credit Agreement");

WHEREAS, the Borrower has requested to amend and restate the Existing Credit Agreement such that (a) the Lenders will extend credit in the form of Revolving Loans, (b) the Issuing Banks will issue Letters of Credit and (c) the Swingline Lender will extend credit in the form of Swingline Loans, in each case at any time and from time to time, in an aggregate principal amount of up to $125,000,000, prior to the Maturity Date;

WHEREAS, the Obligations of the Borrower under the Loan Documents will continue to be guaranteed by the Guarantors;

WHEREAS, the Borrower and the other Loan Parties will continue to secure the Obligations (with the Administrative Agent, for the benefit of the Secured Parties, receiving a First Priority Lien on all ABL Collateral and a Second Priority Lien on all Term Collateral in accordance with the Intercreditor Agreement); and

WHEREAS, the Required Lenders (as defined in the Existing Credit Agreement) and the Administrative Agent are willing to amend the Existing Credit Agreement and the Lenders and the Issuing Banks are willing to make available to the Borrower such revolving credit and letter of credit facilities, in each case upon the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree that, as of the Effective Date, the Existing Credit Agreement shall be amended and restated in its entirety as follows:

ARTICLE I

Definitions

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

"ABL Collateral" has the meaning assigned to such term in the Intercreditor Agreement.

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

"Account" has the meaning assigned to such term in the Security Agreement.

"Account Debtor" means any Person obligated on an Account.

"Acquisition" has the meaning assigned to such term in the recitals hereto.

"Acquisition Agreement" has the meaning assigned to such term in the recitals hereto.

"Acquisition Consideration" means the purchase consideration for any Permitted Acquisition and all other payments by Holdings or any of its Subsidiaries in exchange for, or as part of, or in connection with, any Permitted Acquisition, whether paid in cash or by exchange of Equity Interests or of properties or otherwise and whether payable at or prior to the consummation of such Permitted Acquisition or deferred for payment at any future time, whether or not any such future payment is subject to the occurrence of any contingency, and includes any and all payments representing the purchase price and any assumptions of Indebtedness, "earn-outs" and other agreements to make any payment the amount of which is, or the terms of payment of which are, in any respect subject to or contingent upon the revenues, income, cash flow or profits (or the like) of any Person or business.

"Acquisition Sub" has the meaning assigned to such term in the recitals hereto.

"Act" has the meaning assigned to such term in Section 9.15.

"Adjusted LIBO Rate" means, with respect to any Eurodollar Borrowing for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

"Administrative Agent" means JPMorgan Chase Bank, N.A., in its capacity as administrative agent for the Lenders hereunder.

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

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

"Aggregate Credit Exposure" means, at any time, the aggregate Credit Exposure of all the Lenders.

"Agreement" has the meaning assigned to such term in the preamble hereto.

"Alternate Base Rate" means, for any day, a rate per annum equal to the greater of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1% and (c) the Adjusted LIBO Rate in effect on such day (or, if such day is not a Business Day, as of the preceding Business Day) in respect of a proposed Eurodollar Loan with a one-month Interest Period commencing two Business Days thereafter plus the excess of the Applicable Rate with respect to Eurodollar Loans over the Applicable Rate with respect to ABR Loans. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate, respectively.

"Alternative Currency" means any currency other than dollars that is freely available, freely transferable and freely convertible into dollars and in which dealings in deposits are carried on in the London interbank market.

"Ames" means Ames True Temper, Inc., a Delaware corporation.

"Applicable Percentage" means, with respect to any Lender, (a) with respect to Revolving Loans, LC Exposure, Swingline Loans or Overadvances, a percentage equal to a fraction the numerator of which is such Lender's Commitment and the denominator of which is the aggregate Commitments of all the Lenders (if the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon such Lender's share of the aggregate Revolving Exposures at that time), and (b) with respect to Protective Advances or with respect to the Aggregate Credit Exposure, a percentage based upon its share of the Aggregate Credit Exposure and the unused Commitments; provided that in the case of Section 2.20 when a Defaulting Lender shall exist, "Applicable Percentage" shall, in each case, be calculated disregarding the Defaulting Lender's Commitment.

"Applicable Pricing Grid" means the table set forth below:

Average Availability	ABR Spread	Eurodollar Spread	Commitment Fee Rate
Category 1 ≥ $83,000,000	1.25%	2.25%	0.50%
Category 2 ≥ $42,000,000 but < $83,000,000	1.50%	2.50%	0.50%
Category 3 < $42,000,000	1.75%	2.75%	0.375%

For purposes of the foregoing, (a) each of the Applicable Rate and the Commitment Fee Rate shall be determined as of the end of each fiscal quarter of the Borrower (commencing after the end of the first full fiscal quarter ended after the Effective Date) based upon the daily average Availability for such fiscal quarter and (b) each change in the Applicable Rate and the

Commitment Fee Rate as determined by the Administrative Agent pursuant to clause (a) shall be effective on the first day of the next succeeding quarter (with such change to be effective until the next successive change) and the Administrative Agent shall promptly notify the Borrower and the Lenders of the determination of the average Availability for the applicable quarter, provided that the average Availability shall be deemed to be in Category 3 (A) at any time that an Event of Default has occurred and is continuing or (B) at the option of the Administrative Agent or at the request of the Required Lenders if the Borrower fails to deliver a Borrowing Base Certificate required to be delivered by it pursuant to Section 5.01(l), during the period from the expiration of the time for delivery thereof until such Borrowing Base Certificate is delivered.

"Applicable Rate" means, for any day, with respect to any ABR Loan or Eurodollar Loan, as the case may be, the applicable rate per annum determined pursuant to the Applicable Pricing Grid under the caption "ABR Spread" or "Eurodollar Spread", as the case may be, based upon the daily average Availability for the most recently completed fiscal quarter of the Borrower, provided that, the first such adjustment shall be made in respect of the first full fiscal quarter ended after the Effective Date and, until such adjustment is made, the "Applicable Rate" shall be the applicable rate per annum set forth in the Applicable Pricing Grid in Category 1.

"Approved Fund" has the meaning assigned to such term in Section 9.04.

"Arrangers" means J.P. Morgan Securities LLC and Deutsche Bank Securities Inc. in their capacities as joint lead arrangers of the Commitments.

"Asset Sale" means any sale, transfer, lease (other than operating leases entered into in the ordinary course of business) or other disposition of assets made in reliance on Section 6.04(e), other than any such disposition resulting in aggregate Net Asset Sale Proceeds not exceeding $2,000,000 in a single transaction or a series of related transactions and not exceeding $5,000,000 when aggregated with the Net Asset Sale Proceeds of other such dispositions during any fiscal year of Holdings.

"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 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

"ATT" means ATT Holding Co., a subsidiary of the Target.

"Availability" means, at any time, an amount equal to (a) the lesser of (i) the Revolving Commitment and (ii) the Borrowing Base *minus* (b) the Aggregate Credit Exposure of all Lenders.

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

"Available Revolving Commitments" means, at any time, the Revolving Commitments then in effect *minus* the Revolving Exposure of all Lenders at such time.

"Banking Services" means each and any of the following bank services provided to any Loan Party by any Lender or any of its Affiliates: (a) commercial credit cards, (b) stored value cards and (c) treasury management services (including, without limitation, controlled

disbursement, automated clearinghouse transactions, return items, overdrafts and interstate depository network services).

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

"Banking Services Reserves" means all Reserves which the Administrative Agent from time to time establishes in its Permitted Discretion for Banking Services then provided or outstanding Banking Services Obligations.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as amended from time to time, or any successor statute.

"Bankruptcy Event" means, with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or such Person has consented to, approved of, or acquiesced in, any such proceeding or appointment, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

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

"Borrower" has the meaning assigned to such term in the preamble hereto.

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

"Borrowing Base" means, at any time, the sum of (a) 85% of the Loan Parties' Eligible Accounts at such time, *plus* (b) the lesser of (i) 70% of the Loan Parties' Eligible Inventory, valued at the lower of cost or market value, determined on a first-in-first-out basis, at such time and (ii) the product of 85% *multiplied by* the Net Orderly Liquidation Value percentage identified in the most recent inventory appraisal ordered by the Administrative Agent *multiplied by* the Loan Parties' Eligible Inventory, valued at the lower of cost or market value, determined on a first-in-first-out basis, at such time, *plus* (c) 100% of cash and Permitted Investments in Controlled Accounts with the Administrative Agent, *minus* (d) Reserves. The Administrative Agent may, in its Permitted Discretion, adjust Reserves, with any such changes to be effective two Business Days after delivery of notice thereof to the Borrower and the Lenders. The Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate delivered to the Administrative Agent pursuant to Section 5.01(l) of the Agreement.

"Borrowing Base Certificate" means a certificate, signed and certified as accurate and complete by a Financial Officer of the Borrower, in substantially the form of Exhibit B or another form which is acceptable to the Administrative Agent in its Permitted Discretion.

"Borrowing Request" means a request by the Borrower for a Revolving Borrowing in accordance with Section 2.02.

"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 Eurodollar Loan, the term " Business Day" shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

"Buying Group" means any Person (a) that provides Account Debtors who are members of such Person discounts on the purchase of merchandise and (b) to which any Account Debtor forwards payments on Accounts for such Person to remit to the Loan Parties.

"Canadian Borrower" means any Subsidiary of the Borrower that is organized under the laws of Canada and has been designated as the borrower under the Canadian Facility in accordance with Section 2.09(h).

"Canadian Borrowing Base Assets" has the meaning assigned to such term in Section 2.09(h).

"Canadian Commitment" means, with respect to any Lender, the commitment, if any, of such Person to make loans to a Canadian Borrower in accordance with Section 2.09(h).

"Canadian Facility" means the Canadian Commitments and the loans thereunder.

"Canadian Lender" has the meaning assigned to such term in Section 2.09(i).

"Capital Expenditures" means, for any period, expenditures during such period for any purchase or other acquisition of any asset which would be classified as a fixed or capital asset on a consolidated balance sheet of Holdings and its Subsidiaries prepared in accordance with GAAP.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP. For purposes of Section 6.01, a Capital Lease Obligation shall be deemed to be secured by a Lien on the property being leased and such property shall be deemed to be owned by the lessee.

"Cash Dominion Period" has the meaning assigned to such term in the Security Agreement.

"Change of Control" means (a) any Person or "group" (within the meaning of the Exchange Act and the rules of the SEC thereunder) (i) shall have acquired ownership or control, directly or indirectly, beneficially or of record, of 35% or more on a fully diluted basis of the

aggregate voting power and/or aggregate economic interest represented by the issued and outstanding Equity Interests of the Control Person or (ii) shall have obtained the power (whether or not exercised) to elect a majority of the members of the board of directors (or similar governing body) of the Control Person; (b) prior to a Permitted Change of Control Transaction, Griffon shall beneficially own and control, directly or indirectly, less than 100% on a fully diluted basis of the economic and voting interest in the Equity Interests of Holdings; (c) Holdings shall beneficially own and control, directly or indirectly, less than 100% on a fully diluted basis of the economic and voting interest in the Equity Interests of Borrower; (d) the majority of the seats (other than vacant seats) on the board of directors (or similar governing body) of the Control Person shall cease to be occupied by Persons who either (i) were members of the board of directors of the Control Person on the Effective Date or (ii) were nominated for election by the board of directors of the Control Person, a majority of whom were directors on the Effective Date or whose election or nomination for election was previously approved by a majority of such directors; or (e) any "change of control" (as such term is defined in any Term Loan Document) under any Term Loan Document shall occur.

"Change in Law" means (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement 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 by such Lender's or such Issuing Bank's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement.

"Class", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans, Swingline Loans, Protective Advances, or Overadvances.

"Clopay Building" has the meaning assigned to such term in the recitals hereto.

"Clopay Plastic" has the meaning assigned to such term in the recitals hereto.

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

"Collateral" means any and all assets (including Equity Interests) on which a Lien is purported to be granted to the Administrative Agent, for the benefit of the Secured Parties, pursuant to any Collateral Document to secure the Secured Obligations.

"Collateral Access Agreement" has the meaning assigned to such term in the Security Agreement.

"Collateral and Guarantee Requirement" means, at any time, the requirement that:

(a) the Administrative Agent shall have received from Holdings and each of its Domestic Subsidiaries (other than any Immaterial Subsidiary) either (i) a counterpart of this Agreement duly executed and delivered on behalf of such Person as a "Guarantor" (or "Borrower", in the case of the Borrower) or (ii) in the case of any Person that becomes a Domestic Subsidiary (other than an Immaterial Subsidiary), or a Domestic Subsidiary that ceases to be an Immaterial Subsidiary, in each case after the Effective Date, a Joinder Agreement duly executed and delivered on behalf of such Person;

(b) the Administrative Agent shall have received from the Borrower, Holdings and each Domestic Subsidiary (other than any Immaterial Subsidiary) either (i) a counterpart of the Security Agreement duly executed and delivered on behalf of such Person or (ii) in the case of any Person that becomes a Domestic Subsidiary (other than an Immaterial Subsidiary), or a Domestic Subsidiary that ceases to be an Immaterial Subsidiary, in each case after the Effective Date, a supplement to the Security Agreement, in the form specified therein, duly executed and delivered on behalf of such Person;

(c) in the case of any Person that becomes a Domestic Subsidiary (other than an Immaterial Subsidiary), or a Domestic Subsidiary that ceases to be an Immaterial Subsidiary, in each case after the Effective Date, the Administrative Agent shall have received documents and opinions of the type referred to in Section 4.01(c), Section 4.01(p) and Section 4.01(q) with respect to such Domestic Subsidiary;

(d) all Equity Interests owned by or on behalf of any Loan Party shall have been pledged pursuant to the Security Agreement and, in the case of Equity Interests in any first-tier Foreign Subsidiary (other than any Immaterial Subsidiary), where the Administrative Agent so requests in connection with the pledge of such Equity Interests, a Foreign Pledge Agreement (provided that the Loan Parties shall not be required to pledge more than 65% of the outstanding voting Equity Interests in any Foreign Subsidiary), and the Administrative Agent shall, to the extent required by the Intercreditor Agreement, have received certificates or other instruments representing all such Equity Interests, together with undated stock powers or other instruments of transfer with respect thereto endorsed in blank;

(e) (i) all Indebtedness of Griffon and its Affiliates, Holdings, the Borrower and each Subsidiary that is owing to any Loan Party shall be evidenced by the Global Intercompany Note (and no other instrument) and (ii) such Global Intercompany Note (along with any other promissory notes evidencing Indebtedness of any other Person in a principal amount of $250,000 or more that is owing to any Loan Party, if any) shall have been pledged pursuant to the Security Agreement, and, to the extent required by the Intercreditor Agreement, the Administrative Agent shall have received such Global Intercompany Note (and any such promissory notes), together with undated instruments of transfer with respect thereto endorsed in blank;

(f) all documents and instruments, including UCC financing statements, required by applicable law or reasonably requested by Administrative Agent to be filed, registered or recorded to create the Liens intended to be created by the Collateral Documents and perfect such Liens to the extent required by, and with the priority required by, the Collateral Documents, shall have been filed, registered or recorded or delivered to the Administrative Agent for filing, registration or recording;

(g) in respect of a Mortgaged Property not subject to a Mortgage pursuant to the Existing Credit Agreement as of the Effective Date, the Administrative Agent shall have received (i) counterparts of a Mortgage with respect to each Mortgaged Property duly executed and delivered by the record owner of such Mortgaged Property, (ii) a policy or policies of title insurance issued by a nationally recognized title insurance company insuring the Lien of each Mortgage as a valid and enforceable Lien with the priority required by the Intercreditor Agreement on the Mortgaged Property described therein, free of any other Liens other than Permitted Encumbrances and Liens under the Term Loan Documents, together with such endorsements, coinsurance and reinsurance as the Administrative Agent may reasonably request,

(iii) (A) a "Life-of-Loan" Federal Emergency Management Agency Standard Flood Hazard Determination with respect to such Mortgaged Property (together with a notice about special flood hazard area status and flood disaster assistance duly executed by the Borrower or the applicable Loan Party in the event any such Mortgaged Property is located in a special flood hazard area) and (B) if any portion of such Mortgaged Property is located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a Special Flood Hazard Area with respect to which flood insurance has been made available under the National Flood Insurance Act of 1968 (now or as hereafter in effect or any successor act thereto), (1) flood insurance with a financially sound and reputable insurer, in an amount and otherwise sufficient to comply with all applicable rules and regulations promulgated pursuant to (a) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (b) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (c) the National Flood Insurance Reform Act of 1994 as now or hereafter in effect or any successor statute thereto and (d) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto and (2) evidence of such insurance in form and substance reasonably acceptable to the Administrative Agent, and (iv) such surveys, abstracts, appraisals, legal opinions and other documents (including an opinion of counsel (which shall be reasonably satisfactory to the Administrative Agent) in each state in which Mortgaged Property is located with respect to the enforceability of the form(s) of Mortgages to be recorded in such state and such other matters as the Administrative Agent may reasonably request, in each case in form and substance reasonably satisfactory to the Administrative Agent) as the Administrative Agent may reasonably request with respect to any such Mortgage or Mortgaged Property;

(h) in the case of Mortgaged Properties subject to an Existing Mortgage, the Administrative Agent shall have received (i) counterparts of an amendment to the Existing Mortgage covering such Mortgaged Property in form and substance reasonably satisfactory to the Administrative Agent, duly executed and delivered by the record owner of such Mortgaged Property, (ii) either (A) a "date-down" endorsement to the existing title insurance policy for such parcel of Mortgaged Property issued by the title company that issued such existing title insurance policy, which endorsement shall update the effective date of such existing title insurance policy, shall amend the description of the insured Existing Mortgage to include the amendment to such Existing Mortgage, which shall insure the Lien of each Existing Mortgage, as amended, as a valid and enforceable Lien with the priority required by the Intercreditor Agreement on the Mortgaged Property described therein, free of any other Liens other than Permitted Encumbrances and Liens under the Term Loan Documents, and shall otherwise be in form and substance reasonably satisfactory to the Administrative Agent or (B) a policy or policies of title insurance issued by a nationally recognized title insurance company insuring the Lien of each Mortgage as a valid and enforceable Lien with the priority required by the Intercreditor Agreement on the Mortgaged Property described therein, free of any other Liens other than Permitted Encumbrances and Liens under the Term Loan Documents, together with such endorsements, coinsurance and reinsurance as the Administrative Agent may reasonably request, (iii) (A) a "Life-of-Loan" Federal Emergency Management Agency Standard Flood Hazard Determination with respect to such Mortgaged Property (together with a notice about special flood hazard area status and flood disaster assistance duly executed by the Borrower or the applicable Loan Party in the event any such Mortgaged Property is located in a special flood hazard area) and (B) if any portion of such Mortgaged Property is located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a Special Flood Hazard Area with respect to which flood insurance has been made available under the National Flood Insurance Act of 1968 (now or as hereafter in effect or any successor act thereto), (1) flood insurance with a financially sound and reputable insurer, in an amount and otherwise

sufficient to comply with all applicable rules and regulations promulgated pursuant to (a) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (b) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (c) the National Flood Insurance Reform Act of 1994 as now or hereafter in effect or any successor statute thereto and (d) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto and (2) evidence of such insurance in form and substance reasonably acceptable to the Administrative Agent, and (iv) such surveys, abstracts, appraisals, legal opinions and other documents (including an opinion of counsel (which shall be reasonably satisfactory to the Administrative Agent) in each state in which Mortgaged Property is located with respect to the enforceability of the form(s) of Mortgages to be recorded in such state and such other matters as the Administrative Agent may reasonably request, in each case in form and substance reasonably satisfactory to the Administrative Agent) as the Administrative Agent may reasonably request with respect to any such Mortgage or Mortgaged Property; and

(i) with respect to each Deposit Account (other than (x) any Deposit Account the funds in which are used, in the ordinary course of business, solely for the payment of salaries and wages, workers' compensation and similar expenses and (y) Deposit Accounts with a balance not exceeding $25,000 individually or $100,000 in the aggregate) and each securities account maintained by any Loan Party with any depositary bank or securities intermediary, the Collateral Agent shall have received a counterpart, duly executed and delivered by the applicable Loan Party and such depositary bank or securities intermediary, as the case may be, of a Control Agreement.

The Administrative Agent may grant extensions of time for the creation and perfection of security interests in or the obtaining of title insurance, legal opinions or other deliverables with respect to particular assets or the provision of any Guarantee by any Subsidiary (including extensions beyond the Effective Date or in connection with assets acquired, or Subsidiaries formed or acquired, after the Effective Date) where it determines that such action cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required to be accomplished by this Agreement or the Collateral Documents.

"Collection Account" has the meaning assigned to such term in the Security Agreement.

"Collateral Documents" means, collectively, the Security Agreement, the Mortgages, the Intellectual Property Security Agreements, the Perfection Certificate, the Control Agreements, the Collateral Access Agreements, if any, and any other instruments, documents or agreements delivered by or on behalf of a Loan Party pursuant to this Agreement or any of the other Loan Documents in order to grant or perfect a Lien upon the Collateral as security for payment of the Secured Obligations.

"Combined Material Adverse Effect" means any change, effect, event, occurrence, state of facts or development that, individually or in the aggregate with any other change, effect, event, occurrence, state of facts or development, is or is reasonably likely to be materially adverse to the financial condition or results of operations, assets, liabilities or business of Holdings, the Target and their respective subsidiaries, taken as a whole (the "Combined Business"), provided that any material adverse change (including a prospective change) to the Combined Business's, taken as a whole, business relationship with The Home Depot Inc., Lowe's Companies, Inc., Wal-Mart Stores, Inc., Menards, Inc. or Procter & Gamble, Co. or any of their respective subsidiaries or affiliates with whom the Combined Business and its subsidiaries, taken as a whole, has a material business relationship as of the date hereof

(collectively, the "Combined Business Major Customers") shall constitute the basis for a Combined Material Adverse Effect or a material adverse change, since September 30, 2009 (with respect to Holdings and its Subsidiaries) and October 3, 2009 (with respect to the Target and its Subsidiaries); provided, however, that none of the following shall be deemed in itself, or in any combination, to constitute, and none of the following shall be taken into account in determining whether there has been or will be, a Combined Material Adverse Effect: (a) any adverse change, effect, event, occurrence, state of facts or development attributable to the announcement or pendency of the transactions contemplated by the Acquisition Agreement (other than with respect to any of the Combined Business's and its subsidiaries' relationships with any Combined Business Major Customer); (b) any adverse change, effect, event, occurrence, state of facts or development affecting the lawn and garden industry (that does not disproportionately affect the Combined Business and its subsidiaries, taken as a whole), the United States economy as a whole or the capital markets in general; (c) any adverse change, event, development, or effect arising from or relating to changes in GAAP; (d) any adverse change, effect, event, occurrence, state of facts or development resulting from or relating to compliance with the terms of, or the taking of any action required by, the Acquisition Agreement (other than consummation of the closing of the transactions contemplated by the Acquisition Agreement itself); or (e) any adverse change, effect, event, occurrence, state of facts or development arising from or relating to the commencement, continuation or escalation of a war, material armed hostilities or other material international or national calamity or act of terrorism directly involving the United States of America.

"Commitment" means, with respect to each Lender, the sum of such Lender's Revolving Commitment, together with the commitment of such Lender to acquire participations in Protective Advances hereunder. The initial amount of each Lender's Commitment is set forth on the Commitment Schedule, or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Commitment, as applicable.

"Commitment Fee Rate" means, as of any date of determination, the rate per annum determined pursuant to the Applicable Pricing Grid under the caption "Commitment Fee Rate", based upon the daily average Availability for the most recently completed fiscal quarter of the Borrower, provided that, the first such adjustment shall be made in respect of the first full fiscal quarter ended after the Effective Date and, until such adjustment is made, the Commitment Fee Rate shall be 0.50%.

"Commitment Schedule" means the Schedule attached hereto identified as such.

"Company Intellectual Property" has the meaning assigned to such term in Section 3.05(b).

"Company Material Adverse Effect" " means any change, effect, event, occurrence, state of facts or development that, individually or in the aggregate with any other change, effect, event, occurrence, state of facts or development, is or is reasonably likely to be materially adverse to (i) the financial condition or results of operations, assets, liabilities or business of the Target and its subsidiaries taken as a whole, provided that any material adverse change (including a prospective change) to the Target's and its subsidiaries', taken as a whole, business relationship with The Home Depot Inc., Lowe's Companies, Inc. or Wal-Mart Stores, Inc. or any of their respective subsidiaries or affiliates with whom the Target and its subsidiaries, taken as a whole, has a material business relationship as of the date hereof (collectively, the "Company Major Customers") shall constitute the basis for a Company Material Adverse Effect or a material adverse change; provided, however, that none of the following shall be deemed in itself,

or in any combination, to constitute, and none of the following shall be taken into account in determining whether there has been or will be, a Company Material Adverse Effect: (a) any adverse change, effect, event, occurrence, state of facts or development attributable to the announcement or pendency of the transactions contemplated by the Acquisition Agreement (other than with respect to any of the Target's and its subsidiaries' relationships with any Company Major Customer); (b) any adverse change, effect, event, occurrence, state of facts or development affecting the lawn and garden industry (that does not disproportionately affect the Target and its subsidiaries, taken as a whole), the United States economy as a whole or the capital markets in general; (c) any adverse change, event, development, or effect arising from or relating to changes in GAAP; (d) any adverse change, effect, event, occurrence, state of facts or development resulting from or relating to compliance with the terms of, or the taking of any action required by, the Acquisition Agreement (other than consummation of the closing of the transactions contemplated by the Acquisition Agreement itself); or (e) any adverse change, effect, event, occurrence, state of facts or development arising from or relating to the commencement, continuation or escalation of a war, material armed hostilities or other material international or national calamity or act of terrorism directly involving the United States of America, or (ii) the ability of the Target to timely consummate the transactions contemplated by the Acquisition Agreement.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"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.

"Control Agreement" has the meaning assigned to such term in the Security Agreement.

"Control Person" means, prior to a Permitted Change of Control Transaction, Griffon, and, thereafter, Holdings.

"Controlled Accounts" means deposit accounts and/or securities accounts maintained with the Administrative Agent or with respect to which a Control Agreement reasonably satisfactory to the Administrative Agent shall been executed and delivered by the applicable Loan Party and depositary institution or securities intermediary, as applicable; provided that in no event shall any deposit account be a Controlled Account if such account is established for the sole purpose of depositing the net cash proceeds of any Loan Party with respect to any asset sale, incurrence of Indebtedness or casualty event pending the application of such proceeds to the prepayment of loans under the Term Loan Documents in accordance with the mandatory prepayment provisions thereof.

"Covenant Defeasance" with respect to any Senior Notes, has the meaning assigned to such term in the Senior Notes Indenture under which such Senior Notes were issued.

"Credit Exposure" means, as to any Lender at any time, the sum of (a) such Lender's Revolving Exposure at such time, *plus* (b) an amount equal to its Applicable Percentage, if any, of the aggregate principal amount of Protective Advances outstanding at such time.

"Credit Party" means the Administrative Agent, any Issuing Bank, the Swingline Lender or any other Lender.

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

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

"Deposit Account" means a demand, time, savings, passbook or like account with a bank, savings and loan association, credit union or like organization, other than an account evidenced by a negotiable certificate of deposit.

"Dilution Factors" shall mean, without duplication, with respect to any period, the aggregate amount of all deductions, credit memos, returns, adjustments, allowances, bad debt write-offs and other non-cash credits which are recorded to reduce accounts receivable in a manner consistent with current and historical accounting practices of the Loan Parties.

"Dilution Ratio" shall mean, at any date, the amount (expressed as a percentage) equal to (a) the aggregate amount of the applicable Dilution Factors for the twelve most recently ended fiscal months divided by (b) total gross sales for such twelve most recently ended fiscal months.

"Dilution Reserve" shall mean, at any date on which the Dilution Ratio exceeds 5%, an amount equal to the product of (i) the percentage by which the applicable Dilution Ratio exceeds 5% *multiplied by* (ii) the Eligible Accounts, in each case, on such date.

"Disclosed Matters" means the actions, suits and proceedings and the environmental matters disclosed in Schedule 3.06.

"Disqualified Equity Interests" means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition, (i) matures or is mandatorily

redeemable (other than solely for Equity Interests which are not otherwise Disqualified Equity Interests), pursuant to a sinking fund obligation or otherwise, (ii) is redeemable at the option of the holder thereof (other than solely for Equity Interests which are not otherwise Disqualified Equity Interests), in whole or in part, (iii) provides for the scheduled payments or dividends in cash, or (iv) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is 91 days after the Maturity Date.

"Documents" has the meaning assigned to such term in the Security Agreement.

"Dollar Equivalent" means, on any date of determination, with respect to any amount in any currency other than dollars, the equivalent in dollars of such amount, determined using the Exchange Rate with respect to such currency in effect for such amount on such date.

"dollars" or "$" refers to lawful money of the United States of America.

"Domestic Subsidiary" means any Subsidiary organized under the laws of the United States of America, any State thereof or the District of Columbia.

"EBITDA" means, for any period, the sum of Net Income, plus to the extent reducing net income, the sum, without duplication, of (i) Interest Expense, (ii) total depreciation and amortization expense, (iii) foreign, Federal, state and local income taxes for such period, computed in accordance with GAAP, (iv) other non-cash charges reducing Net Income (excluding such non-cash charge to the extent it represents an accrual or reserve for a potential cash charge in any future period or amortization of a prepaid cash charge that was paid in a prior period, and it being understood that any write down or write off of current assets is not a non-cash charge), (v) transaction costs, fees and expenses relating to the Transactions (if incurred prior to the date that is 90 days after the Effective Date), (vi) management fees paid to Castle Harlan, Inc. pursuant to the Target Management Agreement (if paid prior to the Effective Date), (vii) restructuring charges incurred in connection with the closing and restructuring of idle facilities (excluding restructuring charges incurred in connection with the Louisville, Kentucky facility and the internal legal entity restructuring of Garant Inc.) and non-recurring restructuring charges incurred in connection with consolidation of facilities of Clopay Building; provided that (A) the aggregate amount of such charges referred to in this clause (vii) that occurred during any portion of such period prior to the Effective Date shall not exceed $9,000,000 and (B) the aggregate amount of such charges referred to in this clause (vii) for all periods ending after the Effective Date shall not exceed $7,000,000, (viii) expenses related to the acquisition of West Barrows Mix Pty Ltd., in aggregate amount not to exceed $2,000,000, (ix) any severance or similar one time compensation charges in an aggregate amount not to exceed $5,000,000 in any four fiscal quarter period, provided that the aggregate amount of such charges for all periods ending after the Effective Date shall not exceed $10,000,000, (x) fees, expenses and charges relating to any offering of Equity Interests or Indebtedness of Holdings or its Subsidiaries or any Permitted Acquisition, (xi) stock options or other equity-based compensation charges that are non-cash, (xii) any dividend on preferred Equity Interests (other than Disqualified Equity Interests) and (xiii) any after-tax losses attributable to Asset Sales, Insurance/Condemnation Events or returned surplus assets of any Plan or repurchase by the Borrower of loans under the Term Loan Credit Agreement pursuant to Section 2.10(c) of the Term Loan Credit Agreement, minus the sum of (a) other non-cash gains increasing Net Income for such period (excluding any such non-cash gain to the extent it represents the reversal of an accrual or reserve for potential cash gain in any prior period), (b) any after-tax gains attributable to Asset Sales, Insurance/Condemnation Events or returned surplus assets of any Plan or repurchase by the

Borrower of loans under the Term Loan Credit Agreement pursuant to Section 2.10(c) of the Term Loan Credit Agreement, (c) payments received from the distribution of tariffs collected under the U.S. Continued Dumping and Subsidy Offset Act of 2000 and (d) any payments permitted by Section 6.07(a)(ii) made by the Borrower to Holdings that do not otherwise reduce EBITDA.

"Effective Date" means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02).

"Effective Date Certificate" means a certificate substantially in the form attached hereto as Exhibit G.

"Eligible Accounts" means, at any time, the Accounts of the Loan Parties which the Administrative Agent determines in its Permitted Discretion are eligible as the basis for the extension of Revolving Loans, Swingline Loans and the issuance of Letters of Credit hereunder (it being understood that any representation and warranty by the Borrower as to whether Accounts constitute Eligible Accounts shall be based on the eligibility criteria set forth in this Agreement and any additional standards of eligibility or changes to eligibility or standard of eligibility effected by the Administrative Agent in accordance with this Agreement). Without limiting the Administrative Agent's Permitted Discretion provided herein, Eligible Accounts shall not include any Account:

(a) which is not subject to a first priority perfected security interest in favor of the Administrative Agent;

(b) which is subject to any Lien other than (i) a Lien in favor of the Administrative Agent, (ii) a Permitted Encumbrance which does not have priority over the Lien in favor of the Administrative Agent and (iii) a Lien permitted by Section 6.02(c);

(c) with respect to which the scheduled due date is more than 90 days after the original invoice date, is unpaid more than 120 days after the date of the original invoice therefor or more than 60 days after the original due date, or which has been written off the books of the applicable Loan Party or otherwise designated as uncollectible;

(d) which is owing by an Account Debtor, or for which payments shall be remitted by a Buying Group, for which more than 50% of the aggregate amount of Accounts owing from such Account Debtor or its Affiliates, or with respect to which the Buying Group or its Affiliates will remit payments, are ineligible pursuant to clause (c) above;

(e) which is owing by an Account Debtor to the extent the aggregate amount of Accounts owing from such Account Debtor and its Affiliates (or, with respect to any Buying Group, the aggregate amount of Accounts for which payments shall be remitted by such Buying Group) to the Loan Parties exceeds, except as set forth on Schedule 1.01(a), (i) 25%, with respect to Menards, Inc., and (ii) otherwise, 10%, in each case of the aggregate amount of Eligible Accounts of such Loan Parties;

(f) with respect to which any covenant, representation, or warranty contained in this Agreement or in the Security Agreement has been breached or is not true;

(g) which (i) does not arise from the sale of goods or performance of services in the ordinary course of business, (ii) is not evidenced by an invoice or other documentation

reasonably satisfactory to the Administrative Agent which has been sent to the Account Debtor, (iii) represents a progress billing, (iv) is contingent upon the applicable Loan Party's completion of any further performance, (v) represents a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment, cash-on-delivery or any other repurchase or return basis or (vi) relates to payments of interest;

(h) for which the goods giving rise to such Account have not been shipped to the Account Debtor or for which the services giving rise to such Account have not been performed by the applicable Loan Party or if such Account was invoiced more than once;

(i) with respect to which any check or other instrument of payment has been returned uncollected for any reason;

(j) which is owed by an Account Debtor, or for which payments shall be remitted by a Buying Group, which has at the time of the determination (i) applied for, suffered, or consented to the appointment of any receiver, custodian, trustee, or liquidator of its assets, (ii) has had possession of all or a material part of its property taken by any receiver, custodian, trustee or liquidator, (iii) filed, or had filed against it, any request or petition for liquidation, reorganization, arrangement, adjustment of debts, adjudication as bankrupt, winding-up, or voluntary or involuntary case under any state or federal bankruptcy laws (other than post-petition accounts payable of an Account Debtor or a Buying Group that is a debtor-in-possession under the Bankruptcy Code and reasonably acceptable to the Administrative Agent), (iv) has admitted in writing its inability, or is generally unable to, pay its debts as they become due, (v) become insolvent, or (vi) ceased operation of its business;

(k) which is owed by any Account Debtor which has sold all or a substantially all of its assets;

(l) which is owed by an Account Debtor, or for which payments shall be remitted by a Buying Group, which, (i) does not maintain its chief executive office in the U.S. or Canada, or (ii) is not organized under applicable law of the U.S., any state of the U.S., Canada or any province of Canada, unless, in either case, (x) such Account is backed by a Letter of Credit reasonably acceptable to the Administrative Agent which is in the possession of, has been assigned to and is directly drawable by the Administrative Agent or (y) such Account Debtor is a foreign Affiliate of either Proctor & Gamble, Co., Kimberly Clark, The Home Depot Inc., Lowe's Companies, Inc., or Wal-Mart Stores, Inc., but only to the extent to which the Eligible Accounts of such Account Debtors do not exceed in the aggregate $20,000,000 at any time;

(m) which is owed in any currency other than U.S. dollars;

(n) which is owed by (i) the government (or any department, agency, public corporation, or instrumentality thereof) of any country other than the U.S. unless such Account is backed by a Letter of Credit acceptable to the Administrative Agent which is in the possession of the Administrative Agent, or (ii) the government of the U.S., or any department, agency, public corporation, or instrumentality thereof, unless the Federal Assignment of Claims Act of 1940, as amended (31 U.S.C. § 3727 et seq. and 41 U.S.C. § 15 et seq.), and any other steps reasonably necessary to perfect the Lien of the Administrative Agent in such Account have been complied with to the Administrative Agent's reasonable satisfaction;

(o) which is owed by any Affiliate, employee, officer, director, agent or stockholder of any Loan Party;

(p) which is owed by an Account Debtor or any Affiliate of such Account Debtor, or for which payment shall be remitted by any Buying Group or any Affiliate of such Buying Group, to which the applicable Loan Party is indebted, but only to the extent of such indebtedness or is subject to any security, deposit, progress payment, retainage or other similar advance made by or for the benefit of an Account Debtor or a Buying Group, in each case to the extent thereof;

(q) which is subject to any counterclaim, deduction, defense, setoff or dispute but only to the extent of any such counterclaim, deduction, defense, setoff or dispute;

(r) which is evidenced by any promissory note, chattel paper, or instrument;

(s) which is owed by an Account Debtor, or for which payment shall be remitted by a Buying Group, located in any jurisdiction which requires filing of a "Notice of Business Activities Report" or other similar report in order to permit the applicable Loan Party to seek judicial enforcement in such jurisdiction of payment of such Account, unless such Loan Party has filed such report or qualified to do business in such jurisdiction;

(t) with respect to which the applicable Loan Party has made any agreement with the Account Debtor for any reduction thereof, other than discounts and adjustments given in the ordinary course of business, or any Account which was partially paid and the applicable Loan Party created a new receivable for the unpaid portion of such Account;

(u) which does not comply in all material respects with the requirements of all applicable laws and regulations, whether Federal, state or local, including without limitation the Federal Consumer Credit Protection Act, the Federal Truth in Lending Act and Regulation Z of the Board;

(v) which is for goods that have been sold under a purchase order or pursuant to the terms of a contract or other agreement or understanding (written or oral) that indicates or purports that any Person other than the applicable Loan Party has an ownership interest in such goods, or which indicates any party other than the applicable Loan Party as payee or remittance party; or

(w) which was created on cash on delivery terms.

In the event that a material Account which was previously an Eligible Account ceases to be an Eligible Account hereunder, the Borrower shall notify the Administrative Agent thereof on and at the time of submission to the Administrative Agent of the next Borrowing Base Certificate. In determining the amount of an Eligible Account, the face amount of an Account may, in the Administrative Agent's Permitted Discretion, be reduced by, without duplication, to the extent not reflected in such face amount (without duplication of any Reserve taken therefor), (i) the amount of all accrued and actual discounts, claims, credits or credits pending, promotional program allowances, price adjustments, finance charges or other allowances (including any amount that the applicable Loan Party may be obligated to rebate to an Account Debtor pursuant to the terms of any agreement or understanding (written or oral)) and (ii) the aggregate amount of all cash received in respect of such Account but not yet applied by the applicable Loan Party to reduce the amount of such Account. Standards of eligibility may be made more restrictive from time to time solely by the Administrative Agent in the exercise of its Permitted Discretion, with any such changes to be effective two Business Days after delivery of written notice thereof to the Borrower and the Lenders.

"Eligible Inventory" means, at any time, the Inventory of the Loan Parties which the Administrative Agent determines in its Permitted Discretion is eligible as the basis for the extension of Revolving Loans, Swingline Loans and the issuance of Letters of Credit hereunder (it being understood that any representation and warranty by the Borrower as to whether Inventory constitutes Eligible Inventory shall be based on the eligibility criteria set forth in this Agreement and any additional standards of eligibility or changes to eligibility or standards of eligibility effected by the Administrative Agent in accordance with this Agreement). Without limiting the Administrative Agent's Permitted Discretion provided herein, Eligible Inventory shall not include any Inventory:

(a) which is not subject to a first priority perfected Lien in favor of the Administrative Agent;

(b) which is subject to any Lien other than (i) a Lien in favor of the Administrative Agent, (ii) a Permitted Encumbrance which does not have priority over the Lien in favor of the Administrative Agent and (iii) a Lien permitted by Section 6.02(c);

(c) which is, in the Administrative Agent's opinion as notified to the Borrower, slow moving, obsolete, unmerchantable, defective, used, unfit for sale, not salable at prices approximating at least the cost of such Inventory in the ordinary course of business or unacceptable due to age, type, category and/or quantity;

(d) with respect to which any covenant, representation, or warranty contained in this Agreement or the Security Agreement has been breached or is not true and which does not conform in any material respect to all reasonably applicable standards imposed by any Governmental Authority;

(e) in which any Person other than the applicable Loan Party shall (i) have any direct or indirect ownership, interest or title to such Inventory or (ii) be indicated on any purchase order or invoice with respect to such Inventory as having or purporting to have an interest therein;

(f) which is not finished goods (other than raw materials) or which constitutes work-in-process, spare or replacement parts, subassemblies, packaging and shipping material, manufacturing supplies, samples, prototypes, displays or display items, bill-and-hold goods, goods that are returned or marked for return, repossessed goods, defective or damaged goods, goods held on consignment, or goods which are not of a type held for sale in the ordinary course of business; provided that "Eligible Inventory" may include work-in-process of Ames or any of its Subsidiaries, in an aggregate amount not to exceed $10,000,000, to the extent such work-in-process is supported for inclusion in the Borrowing Base by an Inventory appraisal acceptable to the Administrative Agent;

(g) which is not located in the U.S. or is in transit with a common carrier from vendors and suppliers;

(h) on or after the date which is 90 days after the Effective Date, which is located in any location leased by the applicable Loan Party where Inventory valued in excess of $500,000 is located unless (i) the lessor has delivered to the Administrative Agent a Collateral Access Agreement or (ii) a Rent Reserve has been established by the Administrative Agent in its Permitted Discretion;

(i) which is located in any third party warehouse or is in the possession of a bailee (other than a third party processor) and is not evidenced by a Document unless (i) such warehouseman or bailee has delivered to the Administrative Agent a Collateral Access Agreement and such other documentation as the Administrative Agent may reasonably require or (ii) an appropriate Reserve has been established by the Administrative Agent in its Permitted Discretion;

(j) which is being processed offsite at a third party location or outside processor, or is in-transit to or from said third party location or outside processor;

(k) which is a discontinued product or component thereof;

(l) which is the subject of a consignment by the applicable Loan Party as consignor;

(m) which contains or bears any intellectual property rights licensed to the applicable Loan Party unless the Administrative Agent is reasonably satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor, (ii) violating any contract with such licensor, or (iii) incurring any liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement;

(n) which is not reflected in a current perpetual inventory report of the applicable Loan Party (unless such Inventory is reflected in a report to the Administrative Agent as "in transit" Inventory); or

(o) for which reclamation rights have been asserted by the seller.

In the event that Inventory which was previously Eligible Inventory ceases to be Eligible Inventory hereunder, the Borrower shall notify the Administrative Agent thereof on and at the time of submission to the Administrative Agent of the next Borrowing Base Certificate. Standards of eligibility may be made more restrictive from time to time solely by the Administrative Agent in the exercise of its Permitted Discretion, with any such changes to be effective two Business Days after delivery of written notice thereof to the Borrower and the Lenders.

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

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

"Equity Contribution" means a cash equity contribution (direct or indirect) from Griffon to Holdings in an aggregate amount equal to the excess of $196,000,000 over the aggregate amount of unrestricted freely available cash on hand of Holdings and its Subsidiaries as of the Effective Date (before giving effect to the Acquisition); provided that any Equity Interests issued in respect thereof should be common Equity Interests of Holdings.

"Equity Interests" means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

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

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

"ERISA Event" means (a) any Reportable Event; (b) the existence with respect to any Plan of a Prohibited Transaction, (c) any failure by any Plan to satisfy the minimum funding standards (within the meaning of Sections 412 or 430 of the Code or Section 302 of ERISA), whether or not waived; (d) the filing pursuant to Section 412 of the Code or Section 303 of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan, the failure to make by its due date a required installment under Section 430(j) of the Code with respect to any Plan or the failure by Holdings or any of its ERISA Affiliates to make any required contribution to a Multiemployer Plan; (e) the incurrence by Holdings or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan, including but not limited to the imposition of any Lien in favor of the PBGC or any Plan; (f) a determination that any Plan is, or is expected to be, in "at risk" status (within the meaning of Section 430 of the Code or Section 303 of ERISA); (g) the receipt by Holdings or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan under Section 4042 of ERISA; (h) the incurrence by Holdings or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (i) the receipt by Holdings or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from Holdings or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, Insolvent, in Reorganization, or in "endangered" or "critical status" (within the meaning of Section 432 of the Code or Section 305 of ERISA).

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

"Event of Default" has the meaning assigned to such term in Article VII.

"Exchange Rate" means, on any day, with respect to dollars in relation to any Alternative Currency, the rate at which dollars may be exchanged into such currency, as set forth on such day on the applicable Reuters World Currency Page. In the event such rate does not appear on the applicable Reuters World Currency Page, the Exchange Rate shall be determined

by reference to such other publicly available service for displaying exchange rates, or such other method, as may be determined by the Borrower (subject to the approval of Administrative Agent, not to be unreasonably withheld), and such determination shall be conclusive and binding, absent manifest error.

"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) income or franchise taxes imposed on (or measured by) its net income or any similar tax imposed in lieu of net income taxes by the United States of America, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located, (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction referred to in clause (a), and (c) in the case of any Lender (other than an assignee pursuant to a request by the Borrower under Section 2.19(b)), any United States withholding tax resulting from any law in effect (including FATCA) on amounts payable to such Lender at the time (and in the case of FATCA, including any regulations or official interpretations thereof issued after) such Lender becomes a party to this Agreement (or designates a new lending office) or is attributable to such Lender's failure to comply with Section 2.17(e), except to the extent that such Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding tax pursuant to Section 2.17(a).

"Existing Credit Agreement" has the meaning assigned to such term in the recitals hereto.

"Existing Debt Agreements" means all agreements, undertakings, instruments and other documents in effect immediately prior to the Effective Date under which Holdings or any of its Subsidiaries has any Indebtedness (other than Indebtedness set forth on Schedule 6.01(a)), including (i) the Amended and Restated Credit Agreement, dated as of April 7, 2006, as amended, among Ames, Acorn Products, Inc., UnionTools, Inc. and Ames True Temper Properties, Inc., as Borrower, ATT, as a parent guarantor, Bank of America, N.A., as Administrative Agent, Swingline Lender and L/C Issuer, and the other lender parties thereto and (ii) the Senior Notes Indentures.

"Existing Mortgages" means each of the mortgages, deeds of trust or other agreements made pursuant to the Existing Credit Agreement by any Loan Party in favor or the Administrative Agent.

"FATCA" means Sections 1471 through 1474 of the Code as of the date of this Agreement.

"Federal Funds Effective Rate" means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Fee Letters" means, collectively, (i) the Second Amended and Restated Fee Letter, dated as of September 8, 2010, among the Parent, Clopay Acquisition Corp., the Administrative Agent, Goldman Sachs Lending Partners LLC, JPMorgan, J.P. Morgan Securities LLC, Deutsche Bank Securities Inc. and Deutsche Bank Trust Company Americas and (ii) the Administrative Agent Fee Letter, dated as of September 30, 2010, among the Borrower and the Administrative Agent.

"Fee Payment Date" means the third Business Day following the last day of each March, June, September and December.

"Financial Officer" means the chief financial officer, principal accounting officer, treasurer or controller of a Loan Party or the Borrower, as the case may be.

"First Priority" means, with respect to any Lien purported to be created in any Collateral pursuant to any Collateral Document, that such Lien is perfected and has priority over all other Liens to which such Collateral is subject, other than any Permitted Encumbrances.

"Fixed Charges" means, with reference to any period, without duplication, cash Interest Expense, *plus* prepayments and scheduled principal payments on Indebtedness (other than Indebtedness under this Agreement) made during such period, *plus* expense for taxes paid in cash (net of any cash refunds in respect of such taxes, but not less than zero), *plus* dividends, distributions or management fees paid in cash, all calculated for Holdings and its Subsidiaries on a consolidated basis in accordance with GAAP.

"Fixed Charge Coverage Ratio" means, the ratio, determined as of the end of each fiscal month of Holdings for the most-recently ended twelve fiscal months, of (a) EBITDA *minus* Capital Expenditures paid in cash (excluding cash payments financed with Indebtedness other than Revolving Loans) to (b) Fixed Charges, all calculated for Holdings and its Subsidiaries on a consolidated basis in accordance with GAAP (provided, that such determination in respect of any such period which includes the Effective Date shall be made on a pro forma basis with respect to the Acquisition as though the Acquisition had been consummated on the first day of such period).

"Floating Rate Notes" means the Senior Floating Rate Notes due 2012, issued by Ames pursuant to the Floating Rate Notes Indenture.

"Floating Rate Notes Indenture" means the Indenture for Senior Floating Notes due 2012, dated January 14, 2005, among Ames, as Issuer, ATT, as Guarantor, and The Bank of New York, as Trustee, and the Supplemental Indenture to the Indenture dated January 14, 2005, dated as of December 17, 2007 and among Ames, Ames U.S. Holding Corp., Ames Holdings, Inc., Ames True Temper Properties, Inc., ATT and The Bank of New York, as Trustee.

"Floating Rate Supplemental Indenture" means a Supplemental Indenture to the Floating Rate Notes Indenture to be entered into on or prior to the Effective Date among Ames, Ames U.S. Holding Corp., Ames Holdings, Inc. Ames True Temper Properties, Inc., ATT, and The Bank of New York, as Trustee, which Supplemental Indenture shall be substantially the same, in form and substance, as the form of Supplemental Indenture previously delivered to the Administrative Agent.

"Foreign Lender" means any Lender that is organized under the laws of a jurisdiction other than the United States of America, any State thereof or the District of Columbia.

"Foreign Plan" means each employee benefit plan (within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA) that is not subject to U.S. law and is maintained or contributed to by Holdings or any ERISA Affiliate.

"Foreign Pledge Agreement" means a pledge or charge agreement granting a Lien on Equity Interests in a Foreign Subsidiary to secure the Obligations, governed by the laws of the jurisdiction of organization of such Foreign Subsidiary and in form and substance reasonably satisfactory to the Administrative Agent.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"Funding Accounts" has the meaning assigned to such term in Section 4.01(j).

"GAAP" means generally accepted accounting principles in the United States of America as in effect as of the date of determination thereof.

"Global Intercompany Note" means a promissory note substantially in the form of Exhibit H evidencing Indebtedness owed among the Loan Parties and their Subsidiaries.

"Governmental Authority" means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"Griffon" means Griffon Corporation, a Delaware corporation.

"Griffon Letters of Credit" means the outstanding letters of credit issued by JPMorgan Chase Bank, N.A. or Bank of America, N.A. described on Schedule 1.01(b).

"Group Members" means the collective reference to Holdings, the Borrower and their respective Subsidiaries.

"Guarantee" of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the " primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business. The amount, as of any date of determination, of any Guarantee shall be the principal amount outstanding on such date of Indebtedness or other obligation guaranteed thereby (or, in the case of (i) any Guarantee the terms of which limit the monetary exposure of the guarantor or (ii) any Guarantee of an obligation that does not have a principal amount, the maximum monetary exposure as of such date of the guarantor under such Guarantee (as determined, in the case of

clause (i), pursuant to such terms or, in the case of clause (ii), reasonably and in good faith by the chief financial officer of the Borrower)).

"Guaranteed Obligations" has the meaning assigned to such term in Section 10.01.

"Guarantor" means each of Holdings and each Domestic Subsidiary of Holdings (other than the Borrower) that is a party to this Agreement as a "Guarantor" and a party to the Security Agreement as a "Grantor" thereunder. The Guarantors as of the Effective Date are set forth on Schedule 1.01(c).

"Guaranty" means Article X of this Agreement.

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

"Hazardous Materials Activity" means any past, current or proposed activity, event or occurrence involving any Hazardous Materials, including the use, manufacture, possession, storage, holding, presence, existence, location, Release, threatened Release, discharge, placement, generation, transportation, processing, construction, treatment, abatement, removal, remediation, disposal, disposition or handling of any Hazardous Materials, and any corrective action or response action with respect to any of the foregoing.

"Historical Financial Statements" means (a) separate audited consolidated financial statements of each of Clopay Holding Co. and its Subsidiaries (prior to the Acquisition) and of ATT and its Subsidiaries, for the 2007, 2008 and 2009 fiscal years, consisting of audited consolidated balance sheets and the related consolidated statements of income, stockholders' equity and cash flows for such fiscal years, and (b) (i) separate unaudited consolidated quarterly financial statements of each of Clopay Holding Co. and its Subsidiaries (prior to the Acquisition) and of ATT and its Subsidiaries as of the end of and for each fiscal quarter subsequent to the financial statements provided for the 2009 fiscal year pursuant to clause (a), consisting of a consolidated balance sheet and the related consolidated statements of income, stockholders' equity and cash flows for the twelve-month period, ending on such date and (ii) internal monthly "flash reports" of each of Clopay Holding Co. and its Subsidiaries (prior to the Acquisition) and of ATT and its Subsidiaries as of the end of and for each subsequent calendar month.

"Holdings" has the meaning assigned to such term in the preamble hereto.

"Immaterial Subsidiary" means, as of any date, any Subsidiary with consolidated total assets of less than $2,500,000, provided that the aggregate consolidated assets of all Immaterial Subsidiaries may not exceed $10,000,000, collectively, at any time (and the Borrower will designate in writing to the Administrative Agent from time to time the Subsidiaries which will cease to be treated as "Immaterial Subsidiaries" in order to comply with the foregoing limitation).

"Indebtedness" of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to

property acquired by such Person, (d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding trade payables, accrued expenses and current accounts payable in each case incurred in the ordinary course of business), (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (f) all Guarantees by such Person of Indebtedness of others, (g) all Capital Lease Obligations of such Person which are required to be classified as liabilities under GAAP, (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, (i) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances and (j) Disqualified Equity Interests. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

"Indemnified Taxes" means Taxes other than Excluded Taxes.

"Insolvent" with respect to any Multiemployer Plan, means insolvent within the meaning of Section 4245 of ERISA.

"Insurance/Condemnation Event" means any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, or any disposition under a threat of such taking, of all or any part of any assets of Borrower or any Subsidiary other than any of the foregoing resulting in aggregate Net Insurance/Condemnation Proceeds not exceeding $2,000,000 from a single event or a series of related events and not exceeding $5,000,000 when aggregated with the Net Insurance/Condemnation Proceeds from all other such events during any fiscal year of Holdings.

"Intellectual Property" has the meaning assigned to such term in the Security Agreement.

"Intellectual Property Security Agreements" has the meaning assigned to such term in the Security Agreement.

"Intercreditor Agreement" means that certain Intercreditor Agreement, dated as of the date hereof, between the Loan Parties, the Administrative Agent and the Term Loan Administrative Agent, substantially in the form attached hereto as Exhibit F.

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

"Interest Expense" means, with reference to any period, total cash interest expense (including that attributable to Capital Lease Obligations) of the Group Members for such period with respect to all outstanding Indebtedness of the Group Members (including all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and net costs under Swap Agreements in respect of interest rates to the extent such net costs are allocable to such period in accordance with GAAP), calculated on a consolidated basis for the Group Members for such period in accordance with GAAP.

"Interest Payment Date" means (a) with respect to any ABR Loan, the first day of each April, July, October and January to occur while such Loan is outstanding and the Maturity Date, and (b) with respect to any Eurodollar Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Eurodollar Borrowing with an Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three months' duration after the first day of such Interest Period and the Maturity Date.

"Interest Period" means with respect to any Eurodollar 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, if available to all Lenders, nine or twelve months) 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, in the case of a Eurodollar Borrowing only, 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 pertaining to a Eurodollar Borrowing 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, in the case of a Revolving Borrowing, thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"Interest Rate Agreement" means any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedging agreement or other similar agreement or arrangement.

"Inventory" has the meaning assigned to such term in the Security Agreement.

"Investment" means, by any Person, (a) the amount paid or committed to be paid, or the value of property or services contributed or committed to be contributed, by such person for or in connection with the direct or indirect redemption, purchase or other acquisition by such Person of any stock, bonds, notes, debentures, partnership or other ownership interests or other securities of any other Person or any capital contribution to any other Person, (b) the amount of any direct or indirect redemption, purchase or other advance, loan or extension of credit by such Person, to any other Person, or Guarantee or other similar obligation of such Person with respect to any Indebtedness or other obligation of such other Person (other than trade payables in the ordinary course of business), and (without duplication) any amount committed to be advanced, loans, or extended by such Person to any other Person, or any amount the payment of which is committed to be assured by a Guarantee or similar obligation by such Person for the benefit of, such other Person and (c) all investments consisting of any exchange traded or over the counter derivative transaction, including any Swap Agreement, whether entered into for hedging or speculative purposes or otherwise. The amount of any Investment of the type described in clauses (a), (b) and (c) shall be the original cost of the Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investments, and any Investment in the form of a Guarantee shall be determined in accordance with the definition of the term "Guarantee".

"Issuing Bank" means JPMorgan or Bank of America, N.A., each with respect to Letters of Credit issued by it, and in each case its successors in such capacity as provided in Section 2.06(i). An Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be

issued by Affiliates 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.

"Joinder Agreement" means a Joinder Agreement substantially in the form of Exhibit D.

"JPMorgan" means JPMorgan Chase Bank, N.A., a national banking association, in its individual capacity, and its successors.

"LC Collateral Account" has the meaning assigned to such term in Section 2.06(j).

"LC Disbursement" means a payment made by the applicable Issuing Bank pursuant to a 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 plus (b) the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time.

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

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

"LIBO Rate" means, with respect to any Eurodollar Borrowing for any Interest Period, the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such Service, or any successor to or substitute for such Service, providing rate quotations comparable to those currently provided on such page of such Service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to eurodollar deposits in dollars in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for eurodollar deposits in dollars with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the " LIBO Rate" with respect to such Eurodollar Borrowing for such Interest Period shall be the rate at which dollar deposits of $5,000,000 and for a maturity comparable to such Interest Period are offered by the principal London office of the Administrative Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period.

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

"Loan Documents" means this Agreement, any promissory notes issued pursuant to this Agreement, any Letter of Credit applications, the Collateral Documents, the Guaranty, the Intercreditor Agreement, and all other agreements, instruments, documents and certificates

executed and delivered to, or in favor of, the Administrative Agent or any Lenders whether heretofore, now or hereafter executed by or on behalf of any Loan Party, or any employee of any Loan Party, and delivered to the Administrative Agent or any Lender in connection with the Agreement or the transactions contemplated thereby. Any reference in the Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto, and all amendments, restatements, supplements or other modifications thereto, and shall refer to the Agreement or such Loan Document as the same may be in effect at any and all times such reference becomes operative.

"Loan Parties" means the Borrower and the Guarantors.

"Loans" means the loans and advances made by the Lenders pursuant to this Agreement, including Swingline Loans, Overadvances and Protective Advances.

"Management Agreement" means that certain Management Agreement, dated as of July 8, 1986, between Griffon and the Parent.

"Margin Stock" means "margin stock" within the meaning of Regulations T, U and X of the Board.

"Material Adverse Effect" means a material adverse effect on (a) the business, assets, operations or condition, financial or otherwise, of the Borrower and its Subsidiaries taken as a whole, (b) the Collateral, or the Administrative Agent's Liens (on behalf of the Secured Parties) on the Collateral or the priority of such Liens, in each case, taken as a whole, or (c) the validity and enforceability of the material provisions of the Loan Documents or the material rights of or benefits available to the Administrative Agent, the Issuing Banks or the Lenders thereunder.

"Material Indebtedness" means Indebtedness (other than the Loans and Letters of Credit), or obligations in respect of one or more Swap Agreements, of one or more Group Members, in an aggregate principal amount exceeding $15,000,000. For purposes of determining Material Indebtedness, the "obligations" of any one or more Group Members in respect of any Swap Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that any Group Member would be required to pay if such Swap Agreement were terminated at such time.

"Maturity Date" means September 30, 2015 or any earlier date on which the Commitments are reduced to zero or otherwise terminated pursuant to the terms hereof.

"Maximum Liability" has the meaning assigned to such term in Section 10.09.

"Moody's" means Moody's Investors Service, Inc.

"Mortgaged Properties" means any fee-owned Real Estate Asset having a fair market value in excess of $100,000 as of the date of the acquisition thereof (which properties, in each case as of the Effective Date, are specified as "Mortgaged Properties" on Schedule 3.05).

"Mortgages" means any mortgage, deed of trust or other agreement which conveys or evidences a Lien in favor of the Administrative Agent, for the benefit of the Secured Parties, on owned real property in the United States of America of a Loan Party, including any amendment, modification or supplement thereto.

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

"Narrative Report" means with respect to the financial statements for which such narrative report is required, a narrative report describing the operations of Holdings and its Subsidiaries (providing a summary of such operations consistent with disclosure that would be made by a public company registered with the SEC) for the applicable fiscal quarter or fiscal year and for the period from the beginning of the then current fiscal year to the end of such period to which such financial statements relate.

"Net Asset Sale Proceeds" means, with respect to any Asset Sale, an amount equal to: (i) cash (which term, for the purposes of this definition, shall include Permitted Investments) payments (including any cash received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when so received) received by Holdings or any of its Subsidiaries from such Asset Sale, minus (ii) any bona fide costs, fees and expenses incurred in connection with such Asset Sale, including (a) income or gains taxes payable (or reasonably and good faith estimated to be payable) by the seller as a result of any gain recognized in connection with such Asset Sale, (b) attorneys fees, accounting fees, investment banking fees and consulting fees incurred in connection with such Asset Sale, (c) payment of the outstanding principal amount of, premium or penalty, if any, and interest on any Indebtedness (other than the Loans or the Term Loans) that is secured by a Lien on the stock or assets in question and that is required to be repaid under the terms thereof as a result of such Asset Sale and (d) a reasonable escrow or reserve for any indemnification payments (fixed or contingent) attributable to seller's indemnities and representations and warranties to purchaser in respect of such Asset Sale undertaken by Holdings or any of its Subsidiaries in connection with such Asset Sale; provided that upon release of any such reserve, the amount released shall be considered Net Asset Sale Proceeds.

"Net Income" means, for any period, the consolidated net income (or loss) of Holdings and its Subsidiaries, determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded (a) the income (or deficit) of any Person accrued prior to the date it becomes a Subsidiary or is merged into or consolidated with any Group Member, (b) the income (or deficit) of any Person (other than a Subsidiary of Holdings) in which any Group Member has an ownership interest, except the income of such Person shall be included to the extent that any such income is actually received by such Group Member in the form of dividends or similar distributions, (c) the income of any Subsidiary of Holdings to the extent that the declaration of dividends or similar distributions by that Subsidiary of that income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Subsidiary and (d) (to the extent not included in clauses (a) through (c) above) any extraordinary gains or losses in accordance with GAAP.

"Net Insurance/Condemnation Proceeds" means, with respect to any Insurance/Condemnation Event, an amount equal to: (i) any cash (which term, for the purposes of this definition, shall include Permitted Investments) payments or proceeds received by Holdings or any of its Subsidiaries (a) under any casualty insurance policy in respect of a covered loss thereunder or (b) as a result of the taking of any assets of Holdings or any of its 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 (ii) (a) any actual and reasonable costs, fees and expenses incurred by Holdings or any of its Subsidiaries in connection with the adjustment or settlement of any claims

of Holdings or such Subsidiary in respect thereof, and (b) any bona fide costs, fees and expenses incurred in connection with any sale of such assets as referred to in clause (i)(b) of this definition, including, without limitation, income taxes payable (or reasonably and good faith estimated to be payable) as a result of any gain recognized in connection therewith and any attorneys fees incurred in connection with such Insurance/Condemnation Event.

"Net Orderly Liquidation Value" means, with respect to Inventory of any Person, the orderly liquidation value thereof as determined in a manner reasonably acceptable to the Administrative Agent by an appraiser reasonably acceptable to the Administrative Agent, net of all costs of liquidation thereof.

"Non-Consenting Lender" has the meaning assigned to such term in Section 9.02(d).

"Non-Paying Guarantor" has the meaning assigned to such term in Section 10.10.

"Obligated Party" has the meaning assigned to such term in Section 10.02.

"Obligations" means all unpaid principal of and accrued and unpaid interest on the Loans, all LC Exposure, all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations of the Loan Parties to the Lenders or to any Lender, the Administrative Agent, the Issuing Banks or any indemnified party arising under the Loan Documents (other than any of the Term Loan Secured Parties (as defined in the Intercreditor Agreement), in their capacities as such).

"Other Taxes" means any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document, including any interest, additions to tax or penalties applicable thereto.

"Overadvance" has the meaning assigned to such term in Section 2.05(b).

"Overadvance Exposure" means, with respect to any Lender at any time, an amount equal to such Lender's Applicable Percentage of the aggregate principal amount of Overadvances at such time.

"Parent" means Clopay Corporation, a Delaware corporation.

"Parent Entity" means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a subsidiary.

"Participant" has the meaning set forth in Section 9.04(b)(v)(1).

"Paying Guarantor" has the meaning assigned to such term in Section 10.10.

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

"Perfection Certificate" means a certificate in form and substance reasonably satisfactory to the Administrative Agent that provides information with respect to Holdings, the Borrower and each Domestic Subsidiary and their respective assets.

"Permitted Acquisition" means any acquisition (other than the Acquisition) by any Loan Party, whether by purchase, merger or otherwise, of all or substantially all of the assets of, at least 51% of the Equity Interests of, or a business line or unit or a division of, any Person; provided, that:

(a) such acquisition shall be consummated in accordance with all applicable laws and in conformity with all applicable governmental authorizations, except where the failure to so comply would not reasonably be expected to have a Material Adverse Effect;

(b) in the case of the acquisition of Equity Interests, (i) at least 51% of the Equity Interests acquired or otherwise issued by such Person or any newly formed Subsidiary of any Loan Party in connection with such acquisition shall be directly and beneficially owned by a Loan Party and (ii) the Person whose Equity Interests are acquired shall become a Subsidiary and, unless such a Subsidiary is an Immaterial Subsidiary, a Guarantor and shall otherwise comply with the requirements of Section 5.13;

(c) in the case of any acquisition of $10,000,000 or more (whether paid in cash, securities, the assumption of debt or otherwise), the Borrower shall have delivered to Administrative Agent at least five Business Days prior to such proposed acquisition, a certificate evidencing compliance with Section 6.06(e), together with a reasonably detailed description of such acquisition, including the aggregate Acquisition Consideration for such acquisition, and any other information reasonably required to demonstrate such compliance;

(d) such acquisition shall be consensual; and

(e) if the assets acquired are to be included in the Borrowing Base, the Borrower shall have delivered all information reasonably requested by the Administrative Agent in its Permitted Discretion and the Administrative Agent shall have received acceptable field examinations and Inventory appraisals to include the acquired assets within the Borrowing Base.

"Permitted Change of Control Transaction" means a "spin-off" transaction whereby all the Equity Interests in Holdings are "spun-off" from Parent to Griffon, and from Griffon ratably to the holders of all the Equity Interests in Griffon, pursuant to which Holdings ceases to be an indirect Subsidiary of Griffon and becomes a public company; provided that (i) any Indebtedness and liabilities of Griffon, Parent or their respective Affiliates (other than the Group Members) assumed by any Group Member in connection with such transaction must be expressly permitted to be assumed under Section 6.01 and Section 6.02, (ii) prior to and immediately after giving effect to such transaction, no Default shall have occurred and be continuing, (iii) any potential Tax liability incurred or assumed by any Group Member (either as a primary obligor or as a member of Griffon's or the Parent's consolidated group) as a result of such spin-off transaction and/or related transactions could not reasonably be expected to have more than an immaterial adverse effect on the Group Members taken as a whole and (iv) any expenses related to or resulting from the accelerated vesting of any equity-based compensation program, time-vested management incentive program or management bonus program of Griffon, Holdings or its Affiliates in connection with such "spin-off" transaction shall be paid solely by Griffon or its Affiliates (other than the Group Members) .

"Permitted Discretion" means a determination made in good faith and in the exercise of reasonable (from the perspective of a secured asset-based lender) business judgment.

"Permitted Encumbrances" means:

(a) Liens imposed by law for taxes, assessments and governmental charges or claims that are not yet due and payable or are being contested in compliance with Section 5.04;

(b) landlords', carriers', warehousemen's, mechanics', materialmen's, repairmen's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not material and not overdue by more than 30 days or are being contested in compliance with Section 5.04;

(c) pledges, deposits and statutory trusts made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations;

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

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

(f) easements, zoning restrictions, rights-of-way, licenses, covenants or other imperfections of title and similar encumbrances on or other matters affecting real property that do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of Holdings or any Subsidiary of Holdings;

(g) with respect to any leasehold property, Liens placed upon or suffered by the landlord with respect to the underlying fee estate; and

(h) other Liens or matters approved by the Administrative Agent in any policy of title insurance issued in connection with any Mortgage for a Mortgaged Property;

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

"Permitted Investments" means:

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

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

(c) investments in certificates of deposit, banker's acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than $500,000,000; and

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

"Permitted Refinancing" means any modification, refinancing, refunding, renewal or extension of the Term Loan Facility; provided that (a) the principal amount thereof does not exceed the principal amount of the Term Loan Facility except by an amount equal to unpaid accrued interest and premium thereon plus other reasonable amounts paid, and fees and expenses reasonably incurred, in connection with such modification, refinancing, refunding, renewal or extension , (b) such modification, refinancing, refunding, renewal or extension has a final maturity date equal to or later than the final maturity date of, and has a weighted average life to maturity equal to or greater than the weighted average life to maturity of the Term Loan Facility, (c) no Default or Event of Default shall have occurred and be continuing, (d) such modification, refinancing, refunding, renewal or extension is incurred by the Borrower, (e) such Permitted Refinancing is secured only by all or any portion of the Collateral (but not by any other assets) pursuant to one or more security agreements subject to the Intercreditor Agreement, (f) prior to the Maturity Date, such Permitted Refinancing shall not have any scheduled amortization payments greater than 5.00% per annum of the initial aggregate principal amount thereof, (g) such Permitted Refinancing shall not have financial covenants that are more restrictive than the Term Loan Credit Agreement, (h) such Permitted Refinancing shall not have a "Change of Control" (or any defined term having a similar purpose) that is materially more restrictive than the definition of Change of Control set forth herein, (i) such Permitted Refinancing is not guaranteed by any Group Member which is not a Guarantor and (j) any mandatory prepayments pursuant to such Permitted Refinancing shall be subject to (i) the payment of any mandatory prepayments required hereunder and (ii) the Intercreditor Agreement.

"Permitted Subordinated Debt" means unsecured Indebtedness of the Borrower for borrowed money which (a) matures no earlier than, and does not require any scheduled principal payments prior to, six months after the Maturity Date, (b) is not subject to any mandatory prepayment, redemption, repurchase, sinking fund or other similar obligation prior to six months after the Maturity Date, in each case that could require any payment on account of principal in respect thereof prior to six months after the Maturity Date, (c) is not guaranteed by any Group Member which is not a Guarantor, (d) is subordinated to the Obligations on terms and conditions reasonably satisfactory to the Administrative Agent in its Permitted Discretion, (e) has terms and conditions (other than interest rate, redemption premiums and subordination terms), taken as a whole, that are not materially less favorable or more restrictive to the Borrower than the terms and conditions customary at the time for high-yield subordinated debt securities issued in a public offering (except to the extent otherwise approved by the Administrative Agent) and (f) has terms and conditions (other than interest rate, redemption premiums and subordination terms), taken as a whole, that are not materially less favorable or more restrictive to the Borrower than the terms and conditions contained in this Agreement; provided that prior to and immediately after giving effect to such transaction, no Default shall have occurred and be continuing.

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

"Plan" means any employee pension benefit plan, as defined in Section 3(2) of ERISA (other than a Multiemployer Plan), subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which Holdings or any ERISA Affiliate

is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Pledged Collateral" has the meaning assigned to such term in the Security Agreement.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by JPMorgan as its prime rate at its offices at 270 Park Avenue in New York City; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

"Pro Forma Financial Statements" means the pro forma financial statements referred to in Section 4.01(b)(ii).

"Prohibited Transaction" has the meaning assigned to such term in Section 406 of ERISA and Section 4975(f)(3) of the Code.

"Projections" has the meaning assigned to such term in Section 3.04(d).

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

"Protective Advance Exposure" means, with respect to any Lender at any time, an amount equal to such Lender's Applicable Percentage of the aggregate principal amount of Protective Advances at such time.

"Real Estate Asset" means, at any time of determination, any interest (fee, leasehold or otherwise) then owned by any Loan Party in any real property.

"Register" has the meaning set forth in Section 9.04.

"Related Agreements" means, collectively, the Acquisition Agreement and the equity commitment letter, dated July 19, 2010, between Griffon and Acquisition Sub.

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

"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 or disposal of any barrels, containers or other closed receptacles containing any Hazardous Material), including the movement of any Hazardous Material through the air, soil, surface water or groundwater.

"Rent Reserve" means, with respect to any leased location or storage facility not owned by any Loan Party where any Inventory equal to or in excess of $1,000,000 is located, a reserve equal to three months' rent (or, in the absence of rent, storage fees, if applicable) applicable to location or such storage facility.

"Reorganization" means, with respect to a Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"Report" means reports prepared by the Administrative Agent or another Person showing the results of appraisals, field examinations or audits pertaining to the Loan Parties' assets from information furnished by or on behalf of the Borrower, after the Administrative Agent has exercised its rights of inspection pursuant to this Agreement, which Reports may be distributed to the Lenders by the Administrative Agent.

"Reportable Event" means any "reportable event," as defined in Section 4043 (c) of ERISA or the regulations issued thereunder, other than those events as to which the 30-day notice period referred to in Section 4043(c) of ERISA has been waived, with respect to a Plan (other than a Plan maintained by an ERISA Affiliate that is considered an ERISA Affiliate only pursuant to subsection (m) or (o) of Section 414 of the Code).

"Required Lenders" means, at any time, Lenders having Credit Exposure and unused Commitments representing more than 50% of the sum of the total Credit Exposure and unused Commitments at such time.

"Requirement of Law" means, as to any Person, the Certificate of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Reserves" means any and all reserves which the Administrative Agent deems necessary, in its Permitted Discretion, to maintain (including, without limitation, reserves for accrued and unpaid interest on the Secured Obligations, Banking Services Reserves, Rent Reserves, Dilution Reserves, reserves for consignee's, warehousemen's and bailee's charges, reserves for Inventory shrinkage, reserves for customs charges and shipping charges related to any Inventory in transit, reserves for Swap Obligations, reserves for contingent liabilities of any Loan Party, reserves for uninsured losses of any Loan Party, reserves for uninsured, underinsured, un-indemnified or under-indemnified liabilities or potential liabilities with respect to any litigation and reserves for taxes, fees, assessments, and other governmental charges) with respect to the Collateral or any Loan Party.

"Restricted Payment" means (a) any dividend or other distribution, direct or indirect (whether in cash, securities or other property), with respect to any Equity Interests in any Group Member or (b) any payment, direct or indirect (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of, or any other return of capital with respect to, any such Equity Interests in any Group Member, or, prior to a Permitted Change of Control Transaction, Griffon or any of its Subsidiaries, or any option, warrant or other right to acquire any such Equity Interests in any Group Member, or, prior to a Permitted Change of Control Transaction, Griffon or any of its Subsidiaries or (c) any payments to Griffon or any of its Affiliates (other than Group Members) in respect of fees or in respect of any Indebtedness owing to Griffon or any of its Affiliates (other than Group Members).

"Revolving Commitment" means, with respect to each Lender, the commitment, if any, of such Lender to make Revolving Loans and to acquire participations in Letters of Credit, Overadvances and Swingline Loans hereunder, expressed as an amount representing the maximum possible aggregate amount of such Lender's Revolving Exposure hereunder, as such commitment may be reduced or increased from time to time pursuant to (a) Section 2.09 and (b) assignments by or to such Lender pursuant to Section 9.04. The initial amount of each Lender's

Revolving Commitment is set forth on the Commitment Schedule, or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Revolving Commitment, as applicable. The initial aggregate amount of the Lenders' Revolving Commitments is $125,000,000.

"Revolving Exposure" means, with respect to any Lender at any time, the sum (without duplication) of (a) the outstanding principal amount of such Lender's Revolving Loans and its LC Exposure, *plus* (b) an amount equal to its Applicable Percentage of the aggregate principal amount of Swingline Loans at such time, *plus* (c) an amount equal to its Applicable Percentage of the aggregate principal amount of Overadvances outstanding at such time.

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

"S&P" means Standard & Poor's Financial Services LLC.

"SEC" means the Securities and Exchange Commission, or any regulatory body that succeeds to the functions thereof.

"Second Priority" means, with respect to any Lien purported to be created in any Collateral pursuant to any Collateral Document, that such Lien is perfected and has priority over all other Liens to which such Collateral is subject, other than (a) First Priority Liens to which such Collateral is subject that are permitted hereby and are subject to the Intercreditor Agreement and (b) any Permitted Encumbrances.

"Secured Obligations" has the meaning assigned to such term in the Security Agreement.

"Secured Parties" has the meaning assigned to such term in the Security Agreement.

"Security Agreement" means that certain Amended and Restated Pledge and Security Agreement, dated as of the date hereof, between the Loan Parties and the Administrative Agent, for the benefit of the Secured Parties, substantially in the form attached hereto as Exhibit E, and any other pledge or security agreement entered into, after the date of this Agreement by any other Loan Party (as required by this Agreement or any other Loan Document), or any other Person, for the benefit of the Secured Parties, as the same may be amended, restated or otherwise modified from time to time.

"Settlement" has the meaning assigned to such term in Section 2.05(d).

"Settlement Date" has the meaning assigned to such term in Section 2.05(d).

"Senior Notes" means the 10% Senior Subordinated Notes due 2012, issued by Ames, and the Floating Rate Notes, in each case pursuant to the applicable Senior Notes Indentures.

"Senior Notes Indentures" means (a) the Indenture for 10% Senior Subordinated Notes due 2012, dated June 28, 2004, by and among Ames, as Issuer, ATT, as Guarantor, and The Bank of New York, as Trustee, and the Supplemental Indenture, to the Indenture dated June 28, 2004, dated as of December 17, 2007, among Ames U.S. Holding Corp, Ames Holdings, Inc., Ames True Temper Properties, Inc., Ames, ATT and The Bank of New York, as Trustee, and (b) the Floating Rate Notes Indenture.

"Solvent" means, with respect to any Person, that as of the date of determination, (a) the sum of such Person's debt and other liabilities (including contingent liabilities) does not exceed the present fair saleable value of such Person's present assets, (b) such Person's capital is not unreasonably small in relation to its business as contemplated on the Effective Date and reflected in the Projections or with respect to any transaction contemplated to be undertaken after the Effective Date, (c) such Person has not incurred and does not intend to incur, or believe (nor should it reasonably believe) that it will incur, debts and liabilities (including contingent liabilities) beyond its ability to pay such debts and liabilities as they become due (whether at maturity or otherwise), and (d) such Person is "solvent" within the meaning given that term and similar terms under the Bankruptcy Code and applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under GAAP).

"Specified Representations" means the representations made by or with respect to the Target and its subsidiaries in the Acquisition Agreement as are material to the interests of the Lenders, but only to the extent that Acquisition Sub has the right to terminate its obligations under the Acquisition Agreement as a result of the breach of such representations in the Acquisition Agreement.

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

"Subordinated Indebtedness" of a Person means any Indebtedness of such Person the payment of which is subordinated in writing to payment of the Secured Obligations to the reasonable satisfaction of the Administrative Agent.

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

"Subsidiary" means any direct or indirect subsidiary of the Borrower or any other Group Member, as applicable.

"Supermajority Lenders" means, at any time, Lenders having Credit Exposure and unused Commitments representing more than 66 2/3% of the sum of the total Credit Exposure and unused Commitments at such time.

"Swap Agreement" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions (including any Interest Rate Agreements); provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or its Subsidiaries shall be a Swap Agreement.

"Swap Obligations" of a Person means any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (a) any and all Swap Agreements, and (b) any and all cancellations, buy backs, reversals, terminations or assignments of any Swap Agreement transaction.

"Swingline Exposure" means, with respect to any Lender at any time, an amount equal to such Lender's Applicable Percentage of the aggregate principal amount of Swingline Loans at such time.

"Swingline Lender" means JPMorgan Chase Bank, N.A., in its capacity as lender of Swingline Loans hereunder.

"Swingline Loan" has the meaning assigned to such term in Section 2.05(a).

"Target" has the meaning assigned to such term in the recitals hereto.

"Target Management Agreement" means the Management Agreement, dated as of June 28, 2004, among Castle Harlan, Inc., ATT, Ames and the Target.

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

"Term Collateral" has the meaning assigned to such term in the Intercreditor Agreement.

"Term Loan Administrative Agent" means Goldman Sachs Lending Partners LLC, as administrative agent under the Term Loan Credit Agreement, and, after any Permitted Refinancing of the Term Loan Facility, the administrative agent or similar representative with respect to such Permitted Refinancing.

"Term Loan Credit Agreement" means that certain Credit and Guarantee Agreement, dated as of the date hereof, between the Loan Parties, the Term Loan Administrative Agent and the lenders and other parties party thereto from time to time.

"Term Loan Documents" has the meaning assigned to such term in the Intercreditor Agreement.

"Term Loan Facility" means the commitments to make loans under the Term Loan Credit Agreement and the loans thereunder.

"Transactions" means (a) the execution, delivery and performance by each Loan Party of the Loan Documents to which it is to be a party, the creation of the Liens provided for in the Collateral Documents and, in the case of the Borrower, the borrowing of Loans and the issuance of Letters of Credit hereunder and the use of proceeds thereof in accordance with the terms hereof, (b) the Acquisition and the other transactions contemplated by the Acquisition Agreement, (c) the execution, delivery and performance by each Loan Party of the Term Loan Credit Agreement and the related Term Loan Documents and the borrowing of term loans under the Term Loan Credit Agreement, (d) the repayment in full of all obligations under the Existing Debt Agreements, the termination of all commitments thereunder and the releases of all Guarantees and Liens in respect thereof, (e) the repayment in full of all obligations outstanding under the Existing Credit Agreement as of the Effective Date and (f) the payment of the fees, costs and expenses payable by Holdings or any of its Subsidiaries in connection with the Transactions.

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

"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 issue of perfection of security interests.

"Unliquidated Obligations" means, at any time, any Secured Obligations (or portion thereof) that are contingent in nature or unliquidated at such time, including any Secured Obligation that is: (i) an obligation to reimburse a bank for drawings not yet made under a letter of credit issued by it; (ii) any other obligation (including any guarantee) that is contingent in nature at such time; or (iii) an obligation to provide collateral to secure any of the foregoing types of obligations.

"Unrestricted Cash" means cash or cash equivalents of the Borrower or any of its Subsidiaries that would not appear as "restricted" on a consolidated balance sheet of the Borrower or any of its Subsidiaries.

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

"Withholding Agent" means any Loan Party and the Administrative Agent.

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

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

Section 1.04. Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, 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 any election under Statement of Financial Accounting Standards 159 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of Holdings, the Borrower or any Subsidiary at "fair value", as defined therein.

ARTICLE II

The Credits

Section 2.01. Commitments. (a) Subject to the terms and conditions set forth herein, each Lender severally agrees to make Revolving Loans, denominated in dollars, to the Borrower from time to time during the Availability Period in an aggregate principal amount that will not result in (i) such Lender's Revolving Exposure exceeding such Lender's Revolving Commitment or (ii) the total Revolving Exposures exceeding the lesser of (x) the aggregate Revolving Commitments, or (y) the Borrowing Base, subject to the Administrative Agent's authority, in its sole discretion, to make Protective Advances and Overadvances pursuant to the terms of Section 2.04 and Section 2.05.

(b) Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Revolving Loans.

Section 2.02. Loans and Borrowings. (a) Each Loan (other than a Swingline Loan) shall be made as part of a Borrowing consisting of Loans of the same Class and Type made by the

Lenders ratably in accordance with their respective Commitments of the applicable Class. Any Protective Advance, any Overadvance and any Swingline Loan shall be made in accordance with the procedures set forth in Section 2.04 and Section 2.05.

(b) Subject to Section 2.14, each Revolving Borrowing shall be comprised entirely of ABR Loans or Eurodollar Loans as the Borrower may request in accordance herewith, provided that all Borrowings made on the Effective Date must be made as ABR Borrowings but may be converted into Eurodollar Borrowings in accordance with Section 2.08. Each Swingline Loan shall be an ABR Loan. Each Lender at its option may make any Eurodollar Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Eurodollar Revolving Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of $100,000 and not less than $500,000. ABR Revolving Borrowings may be in any amount. Borrowings of more than one Type and Class may be outstanding at the same time; provided that there shall not at any time be more than a total of ten Eurodollar Borrowings outstanding.

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

Section 2.03. Requests for Revolving Borrowings. To request a Revolving Borrowing, the Borrower shall notify the Administrative Agent of such request either in writing (delivered by hand or facsimile) in a form approved by the Administrative Agent in its reasonable discretion and signed by the Borrower or by telephone (a) in the case of a Eurodollar Borrowing, not later than 10:00 a.m., Chicago time, three Business Days before the date of the proposed Borrowing or (b) in the case of an ABR Borrowing, not later than noon, Chicago time, on the date of the proposed Borrowing; provided that any such notice of an ABR Revolving Borrowing to finance the reimbursement of an LC Disbursement as contemplated by Section 2.06(e) may be given not later than 9:00 a.m., Chicago time, on the date of the proposed Borrowing. Each such telephonic Borrowing Request shall be irrevocable and shall be confirmed promptly by hand delivery or facsimile to the Administrative Agent of a written Borrowing Request in a form approved by the Administrative Agent and signed by the Borrower. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.01:

(i) the aggregate amount of the requested Borrowing and a breakdown of the separate wires comprising such Borrowing;

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

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

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

If no election as to the Type of Revolving Borrowing is specified, then the requested Revolving Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Revolving Borrowing, then the Borrower shall be deemed to have selected an Interest Period

of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender, as applicable, of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

Section 2.04. Protective Advances. (a) Subject to the limitations set forth below, the Administrative Agent is authorized by the Borrower and the Lenders, from time to time in the Administrative Agent's sole discretion (but shall have absolutely no obligation to), to make Loans to the Borrower, on behalf of all Lenders, which the Administrative Agent, in its Permitted Discretion, deems necessary or desirable (i) to preserve or protect the Collateral, or any portion thereof, (ii) to enhance the likelihood of, or maximize the amount of, repayment of the Loans and other Obligations, or (iii) to pay any other amount chargeable to or required to be paid by the Borrower pursuant to the terms of this Agreement, including payments of reimbursable expenses (including costs, fees, and expenses as described in Section 9.03) and other sums payable under the Loan Documents (any of such Loans are herein referred to as "Protective Advances"); provided that, (i) the aggregate amount of Protective Advances outstanding at any time shall not at any time exceed 10% of the Revolving Commitments, (ii) the aggregate amount of Protective Advances outstanding at any time together with the aggregate amount of Overadvances outstanding at any time shall not at any time exceed $15,000,000 and (iii) the aggregate amount of outstanding Protective Advances plus the aggregate Revolving Exposure shall not exceed the aggregate Revolving Commitments. Protective Advances may be made even if the conditions precedent set forth in Section 4.02 have not been satisfied. The Protective Advances shall be secured by the Liens in favor of the Administrative Agent in and to the Collateral and shall constitute Obligations hereunder. All Protective Advances shall be ABR Borrowings. The Administrative Agent's authorization to make Protective Advances may be revoked at any time by the Required Lenders. Any such revocation must be in writing and shall become effective prospectively upon the Administrative Agent's receipt thereof. At any time that there is sufficient Availability and the conditions precedent set forth in Section 4.02 have been satisfied, the Administrative Agent may request the Lenders to make a Loan to repay a Protective Advance. At any other time the Administrative Agent may require the Lenders to fund their risk participations described in Section 2.04(b).

(b) Upon the making of a Protective Advance by the Administrative Agent (whether before or after the occurrence of a Default), each Lender shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably purchased from the Administrative Agent without recourse or warranty, an undivided interest and participation in such Protective Advance in proportion to its Applicable Percentage. From and after the date, if any, on which any Lender is required to fund its participation in any Protective Advance purchased hereunder, the Administrative Agent shall promptly distribute to such Lender, such Lender's Applicable Percentage of all payments of principal and interest and all proceeds of Collateral received by the Administrative Agent in respect of such Protective Advance.

Section 2.05. Swingline Loans and Overadvances. (a) The Administrative Agent, the Swingline Lender and the Lenders agree that in order to facilitate the administration of this Agreement and the other Loan Documents, promptly after the Borrower requests an ABR Borrowing, the Swingline Lender may elect to have the terms of this Section 2.05(a) apply to such Borrowing Request by advancing, on behalf of the Lenders and in the amount requested, same day funds to the Borrower, on the applicable Borrowing date to the Funding Account(s) (each such Loan made solely by the Swingline Lender pursuant to this Section 2.05(a) is referred to in this Agreement as a "Swingline Loan"), with settlement among them as to the Swingline Loans to take place on a periodic basis as set forth in Section 2.05(d). Each Swingline Loan shall be subject to all the terms and conditions applicable to other ABR Loans funded by the Lenders, except that all payments thereon shall be payable to the Swingline Lender solely for its own account. In addition, the Borrower hereby authorizes the Swingline Lender to, and the Swingline Lender shall, subject to the terms and conditions set forth herein (but without any further

written notice required), not later than 1:00 p.m., Chicago time, on each Business Day, make available to the Borrower by means of a credit to the Funding Account(s), the proceeds of a Swingline Loan. The Administrative Agent shall, upon request of the Borrower, notify the Borrower of the aggregate amount of Swingline Loans outstanding as of end of the immediately preceding day. The aggregate amount of Swingline Loans outstanding at any time shall not exceed $12,500,000. The Swingline Lender shall not make any Swingline Loan if the requested Swingline Loan exceeds the Availability (before giving effect to such Swingline Loan). All Swingline Loans shall be ABR Borrowings.

(b) Any provision of this Agreement to the contrary notwithstanding, at the request of the Borrower, the Administrative Agent may in its sole discretion (but with absolutely no obligation), make Revolving Loans to the Borrower, on behalf of the Lenders, in amounts that exceed the Availability (any such excess Revolving Loans are herein referred to collectively as " Overadvances"); provided that, no Overadvance shall result in a Default due to the Borrower's failure to comply with Section 2.01 for so long as such Overadvance remains outstanding in accordance with the terms of this paragraph, but solely with respect to the amount of such Overadvance. In addition, Overadvances may be made even if the condition precedent set forth in Section 4.02(c) has not been satisfied. All Overadvances shall constitute ABR Borrowings. The authority of the Administrative Agent to make Overadvances is limited to an aggregate amount not to exceed 10% of the Revolving Commitments at any time, no Overadvance may remain outstanding for more than thirty days and no Overadvance shall cause any Lender's Revolving Exposure to exceed its Revolving Commitment; provided that the aggregate amount of Overadvances outstanding at any time together with the aggregate amount of Protective Advances outstanding at any time shall not at any time exceed $15,000,000; provided further that the Required Lenders may at any time revoke the Administrative Agent's authorization to make Overadvances. Any such revocation must be in writing and shall become effective prospectively upon the Administrative Agent's receipt thereof.

(c) Upon the making of a Swingline Loan or an Overadvance (whether before or after the occurrence of a Default and regardless of whether a Settlement has been requested with respect to such Swingline Loan or Overadvance), each Lender shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably purchased from the Swingline Lender or the Administrative Agent, as the case may be, without recourse or warranty, an undivided interest and participation in such Swingline Loan or Overadvance in proportion to its Applicable Percentage of the Revolving Commitment. The Swingline Lender or the Administrative Agent may, at any time, require the Lenders to fund their participations. From and after the date, if any, on which any Lender is required to fund its participation in any Swingline Loan or Overadvance purchased hereunder, the Administrative Agent shall promptly distribute to such Lender, such Lender's Applicable Percentage of all payments of principal and interest and all proceeds of Collateral received by the Administrative Agent in respect of such Loan.

(d) The Administrative Agent, on behalf of the Swingline Lender, shall request settlement (a " Settlement") with the Lenders on at least a weekly basis or on any date that the Administrative Agent elects, by notifying the Lenders of such requested Settlement by facsimile, telephone, or e-mail no later than 12:00 noon, Chicago time, on the date of such requested Settlement (the " Settlement Date"). Each Lender (other than the Swingline Lender, in the case of the Swingline Loans) shall transfer the amount of such Lender's Applicable Percentage of the outstanding principal amount of the applicable Loan with respect to which Settlement is requested to the Administrative Agent, to such account of the Administrative Agent as the Administrative Agent may designate, not later than 2:00 p.m., Chicago time, on such Settlement Date. Settlements may occur during the existence of a Default and whether or not the applicable conditions precedent set forth in Section 4.02 have then been satisfied. Such amounts transferred to the Administrative Agent shall be applied against the amounts of the Swingline Lender's Swingline Loans and, together with Swingline Lender's Applicable Percentage

of such Swingline Loan, shall constitute Revolving Loans of such Lenders, respectively. If any such amount is not transferred to the Administrative Agent by any Lender on such Settlement Date, the Swingline Lender shall be entitled to recover such amount on demand from such Lender together with interest thereon as specified in Section 2.07.

Section 2.06. Letters of Credit. (a) General. Subject to the terms and conditions set forth herein, the Borrower may request the issuance of Letters of Credit for its own account or for the account of a Loan Party, in a form reasonably acceptable to the Administrative Agent and the applicable Issuing Bank, at any time and from time to time during the Availability Period. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, the applicable Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control. The Griffon Letters of Credit outstanding on the Effective Date, and any extensions or renewals thereof, shall be deemed Letters of Credit issued under this Agreement for all purposes of this Agreement with such Letters of Credit being deemed issued (i) as of the Effective Date with respect to the Griffon Letters of Credit and (ii) as of the date of extension or renewal with respect to any extension or renewal of the Griffon Letters of Credit.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions . To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the Borrower shall hand deliver or facsimile (or transmit by electronic communication, if arrangements for doing so have been approved by the applicable Issuing Bank) to the applicable Issuing Bank and the Administrative Agent (prior to 9:00 am, Chicago time, at least three Business Days prior to the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. If requested by the applicable Issuing Bank, the Borrower also shall submit a letter of credit application on such Issuing Bank's standard form in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension (i) the LC Exposure shall not exceed $25,000,000 and (ii) the total Revolving Exposures shall not exceed the lesser of the total Revolving Commitments and the Borrowing Base.

(c) Expiration Date. Each Letter of Credit shall expire at or prior to the close of business on the earlier of (i) the date one year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one year after such renewal or extension) and (ii) the date that is five Business Days prior to the 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 Lenders, the applicable Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from such Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each 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 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 reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If any Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement not later than 11:00 a.m., Chicago time, on the Business Day that such LC Disbursement is made, if the Borrower shall have received notice of such LC Disbursement prior to 9:00 a.m., Chicago time, on such date, or, if such notice has not been received by the Borrower prior to such time on such date, then not later than 11:00 a.m., Chicago time, on the Business Day immediately following the day that the Borrower receives such notice; provided that, if such LC Disbursement is not less than $500,000, the Borrower may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 that such payment be financed with an ABR Revolving Borrowing in an equivalent amount and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting ABR Revolving Borrowing. If the Borrower fails to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the Borrower in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each 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 Lender (and Section 2.07 shall apply, mutatis mutandis, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to such Issuing Bank the amounts so received by it from the 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 Lenders have made payments pursuant to this paragraph to reimburse such Issuing Bank, then to such Lenders and such Issuing Bank as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse an Issuing Bank for any LC Disbursement (other than the funding of ABR Revolving Loans or a Swingline Loan as contemplated above) shall not constitute a Loan and shall not relieve the Borrower of its obligation to reimburse such LC Disbursement.

(f) Obligations Absolute. The Borrower's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the applicable Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders nor the Issuing Banks, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of

technical terms or any consequence arising from causes beyond the control of the applicable 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 (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by 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 or willful misconduct on the part of an Issuing Bank (as finally determined by 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 a Letter of Credit, an 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 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 any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse such Issuing Bank and the Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If an Issuing Bank shall make any LC Disbursement, then, unless the Borrower shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement, at the rate per annum then applicable to, ABR Revolving Loans; provided that, if the Borrower fails to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.13(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 Lender pursuant to paragraph (e) of this Section to reimburse such Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Replacement of the Issuing Bank. Any Issuing Bank may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Lenders of any such replacement of such Issuing Bank. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.12(b). From and after the effective date of any such replacement, (i) the successor Issuing Bank shall have all the rights and obligations of such Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(j) Cash Collateralization. If any Event of Default shall occur and be continuing, on the Business Day that the Borrower receives notice from the Administrative Agent or the Required

Lenders (or, if the maturity of the Loans has been accelerated, Lenders with LC Exposure representing greater than 50% of the total LC Exposure) demanding the deposit of cash collateral pursuant to this paragraph, the Borrower shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders (the "LC Collateral Account"), an amount in cash equal to 103% of the LC Exposure as of such date plus accrued and unpaid interest thereon; provided that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Borrower described in clause (h) or (i) of Article VII. Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the applicable Secured Obligations. 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 a security interest in the LC Collateral Account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the 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 Lenders with LC Exposure representing greater than 50% of the total LC Exposure), be applied to satisfy other applicable 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 (to the extent not applied as aforesaid) shall be returned to the Borrower within three Business Days after such Event of Default has been cured or waived.

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 1:00 p.m., Chicago time, 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 Applicable Percentage; provided that Swingline Loans shall be made as provided in Section 2.05. 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(s); provided, further, that ABR Revolving Loans made to finance the reimbursement of (i) an LC Disbursement as provided in Section 2.06(e) shall be remitted by the Administrative Agent to the applicable Issuing Bank and (ii) a Protective Advance or an Overadvance shall be retained by the Administrative Agent.

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

Section 2.08. Interest Elections. (a) Each Revolving Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Eurodollar Revolving Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Eurodollar Revolving Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing. This Section shall not apply to Swingline Borrowings, Overadvances or Protective Advances, which may not be converted or continued.

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

(c) Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.03:

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

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

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

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

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

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

(f) If the Borrower fails to deliver a timely Interest Election Request with respect to a Eurodollar Revolving Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to an ABR Borrowing. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so

notifies the Borrower, then, so long as an Event of Default is continuing (i) no outstanding Revolving Borrowing may be converted to or continued as a Eurodollar Borrowing and (ii) unless repaid, each Eurodollar Revolving Borrowing shall be converted to an ABR Borrowing and, at the end of the Interest Period applicable thereto.

Section 2.09. Termination and Reduction of Commitments; Increase in Revolving Commitments; Canadian Facility . (a) Unless previously terminated, the Commitments shall terminate on the Maturity Date.

(b) The Borrower may at any time terminate the Commitments upon (i) the payment in full of all outstanding Loans, together with accrued and unpaid interest thereon and on any Letters of Credit, (ii) the cancellation and return of all outstanding Letters of Credit (or alternatively, with respect to each such Letter of Credit, the furnishing to the Administrative Agent of a cash deposit (or at the discretion of the Administrative Agent a back up standby letter of credit satisfactory to the Administrative Agent) equal to 103% of the LC Exposure as of such date), (iii) the payment in full of the accrued and unpaid fees, and (iv) the payment in full of all reimbursable expenses and other Obligations (other than any Unliquidated Obligation) together with accrued and unpaid interest thereon.

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

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

(e) The Borrower shall have the right to increase the Revolving Commitment up to an aggregate amount of $25,000,000 by obtaining additional Revolving Commitments, either from one or more of the Lenders or other lending institutions provided that (i) any such request for an increase shall be in a minimum amount of $10,000,000, (ii) the Borrower may make a maximum of two such requests, (iii) the Administrative Agent has approved the identity of any such new Lender, such approval not to be unreasonably withheld, (iv) any such new Lender assumes all of the rights and obligations of a "Lender" hereunder, and (v) the procedure described in Section 2.09(f) have been satisfied.

(f) Any amendment hereto for such an increase or addition to the Revolving Commitments shall be in form and substance reasonably satisfactory to the Administrative Agent and shall only require the written signatures of the Administrative Agent, the Borrower and the Lender(s) being added or increasing their Commitment, subject only to the approval of all Lenders (other than any Canadian Lenders, in their capacities as such) if any such increase would cause the Revolving Commitment to exceed $150,000,000. As a condition precedent to such an increase, the Borrower shall

deliver to the Administrative Agent a certificate of each Loan Party (in sufficient copies for each Lender) signed by an authorized officer of such Loan Party (i) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (ii) in the case of the Borrower, certifying that, as of the effective date of such increase, before and after giving effect to such increase, (A) the representations and warranties contained in Article III and the other Loan Documents are true and correct in all material respects, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date, provided that any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct in all respects on such date, and (B) no Default exists.

(g) Within a reasonable time after the effective date of any increase, the Administrative Agent shall, and is hereby authorized and directed to, revise the Commitment Schedule to reflect such increase and shall distribute such revised Commitment Schedule to each of the Lenders and the Borrower, whereupon such revised Commitment Schedule shall replace the old Commitment Schedule and become part of this Agreement. On the Business Day following any such increase, all outstanding ABR Loans shall be reallocated among the Lenders (including any newly added Lenders) in accordance with the Lenders' respective revised Applicable Percentages. Eurodollar Loans shall not be reallocated among the Lenders prior to the expiration of the applicable Interest Period in effect at the time of any such increase.

(h) The Borrower shall have the right to add a Canadian Borrower and to obtain Canadian Commitments, up to an aggregate amount of $20,000,000, either from one or more of the Lenders or other lending institutions; provided that (i) any such request for an increase shall be in a minimum amount of $10,000,000, (ii) the Administrative Agent has approved the identity of any such new lending institution, such approval not to be unreasonably withheld, (iii) any such new lending institution assumes all of the rights and obligations of a "Lender" under this Agreement (as amended pursuant to Section 2.09(i)), (iv) the Canadian Facility is not guaranteed by, or secured by any assets of, Holdings or any Domestic Subsidiary, (v) the Canadian Facility has a final maturity date equal to or later than the Maturity Date, (vi) the Canadian Facility shall not have representations and warranties that are materially more restrictive in the aggregate than the representations and warranties contained in this Agreement, unless otherwise agreed by the Administrative Agent in its Permitted Discretion, (vii) the Canadian Facility shall not have covenants or events of default that are materially more restrictive than the covenants and events of default contained in this Agreement, (viii) the Canadian Facility shall otherwise have terms and conditions reasonably acceptable to the Administrative Agent, as set forth in an amendment hereto in accordance with Section 2.09(i) and (ix) no Default or Event of Default shall have occurred and be continuing.

(i) Any amendment hereto for such an increase in, or addition of, Canadian Commitments shall be in form and substance reasonably satisfactory to the Administrative Agent and shall only require the written signatures of the Administrative Agent, the Borrower and the Lender(s) providing Canadian Commitments pursuant to such amendment (any such Lender, a " Canadian Lender"), subject only to the approval of all Canadian Lenders if any such increase would cause the Canadian Commitments to exceed $20,000,000. As a condition precedent to such an increase, the Borrower shall deliver to the Administrative Agent a certificate of each Loan Party (in sufficient copies for each Lender) signed by an authorized officer of such Loan Party (i) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to the Canadian Facility or an increase in the Canadian Facility, and (ii) in the case of the Borrower, certifying that, as of the effective date of such increase, before and after giving effect to such increase, (A) the representations and warranties contained in Article III and the other Loan Documents are true and correct in all material respects, except to the extent that such representations and warranties specifically refer to an earlier date, in which

case they are true and correct in all material respects as of such earlier date, provided that any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct in all respects on such date, and (B) no Default exists. The Administrative Agent, the Borrower and the Canadian Lenders may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of Section 2.09(h).

Section 2.10. Repayment and Amortization of Loans; Evidence of Debt . (a) The Borrower hereby unconditionally promises to pay (i) to the Administrative Agent for the account of each Lender (or Swingline Lender) the then unpaid principal amount of each Revolving Loan (and Swingline Loans) on the Maturity Date, (ii) to the Administrative Agent the then unpaid amount of each Protective Advance on the earlier of the Maturity Date and demand by the Administrative Agent, and (iii) to the Administrative Agent the then unpaid principal amount of each Overadvance on the earlier of the Maturity Date and the 30th day after such Overadvance is made.

(b) At all times during a Cash Dominion Period, on each Business Day, the Administrative Agent shall apply all funds credited to the Collection Account the previous Business Day (whether or not immediately available) first to prepay any Protective Advances and Overadvances that may be outstanding, pro rata, second to prepay the Revolving Loans (including Swingline Loans) with any such prepayment of the Revolving Loans being ratable, and third to cash collateralize outstanding LC Exposure.

(c) 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.

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

(e) The entries made in the accounts maintained pursuant to paragraph (c) or (d) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.

(f) 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 the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form reasonably satisfactory to the Administrative Agent. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

Section 2.11. Prepayment of Loans. (a) The Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to prior notice in accordance with paragraph (f) of this Section.

(b) Except for Overadvances permitted under Section 2.05, in the event and on such occasion that the total Revolving Exposure exceeds the lesser of (A) the aggregate Revolving Commitments, or (B) the Borrowing Base, the Borrower shall prepay the Revolving Loans, LC Exposure and/or Swingline Loans in an aggregate amount equal to such excess.

(c) If any Asset Sale includes assets constituting ABL Collateral or any Net Insurance/Condemnation Proceeds are received in respect of assets subject to an Insurance/Condemnation Event including assets constituting ABL Collateral, then a portion of the Net Asset Sale Proceeds or Net Insurance/Condemnation Proceeds, as applicable, shall be applied to prepay the Revolving Loans, LC Exposure and/or Swingline Loans in an aggregate amount equal to the net book value of the assets constituting ABL Collateral that were sold in the Asset Sale or in respect of which Net Insurance/Condemnation Proceeds were received.

(d) If a Loan is prepaid pursuant to Section 2.11(a), (b) or (c) on any day other than the last day of the Interest Period applicable thereto, the Borrower shall also pay any amounts owing pursuant to Section 2.16.

(e) All such amounts pursuant to Section 2.11(b) or (c) shall be applied, first to prepay any Protective Advances and Overadvances that may be outstanding, pro rata, second to prepay the Revolving Loans (including Swingline Loans) without a corresponding reduction in the Revolving Commitment and third to cash collateralize outstanding LC Exposure.

(f) The Borrower shall notify the Administrative Agent (and, in the case of prepayment of a Swingline Loan, the Swingline Lender) by telephone (confirmed by facsimile) of any prepayment hereunder (i) in the case of prepayment of a Eurodollar Revolving Borrowing, not later than 10:00 a.m., Chicago time, three Business Days before the date of prepayment, or (ii) in the case of prepayment of an ABR Revolving Borrowing, not later than 10:00 a.m., Chicago time, on the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; provided that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.09, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.09. Promptly following receipt of any such notice relating to a Revolving Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Revolving Borrowing shall be in an amount that would be permitted in the case of an advance of a Revolving Borrowing of the same Type as provided in Section 2.02. Each prepayment of a Revolving Borrowing shall be applied ratably to the Revolving Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.13.

Section 2.12. Fees. (a) The Borrower agrees to pay to the Administrative Agent for the account of each Lender a commitment fee, which shall accrue at a rate equal to the Commitment Fee Rate on the average daily amount of the Available Revolving Commitment of such Lender during the period from and including the Effective Date to but excluding the date on which the Lenders' Revolving Commitments terminate. Accrued commitment fees shall be payable in arrears on each Fee Payment Date and on the date on which the Revolving Commitments terminate, commencing on the first such date to occur after the date hereof. All commitment fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed.

(b) The Borrower agrees to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the same Applicable Rate used to determine the interest rate applicable to Eurodollar Revolving Loans

on the average daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date on which such Lender's Revolving Commitment terminates and the date on which such Lender ceases to have any LC Exposure, and (ii) to the applicable Issuing Banks a fronting fee, which shall accrue at the rate of 0.125% per annum on the average daily amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date of termination of the Revolving Commitments and the date on which there ceases to be any LC Exposure, as well as the Issuing Banks' standard 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 through and including the last day of each calendar quarter shall be payable on each Fee Payment Date following such last day, commencing on the first such date to occur after the Effective Date; provided that all such fees shall be payable on the date on which the Revolving Commitments terminate and any such fees accruing after the date on which the Commitments terminate shall be payable on demand. Any other fees payable to the Issuing Banks pursuant to this paragraph shall be payable within 10 days after demand. All participation fees and fronting fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed.

(c) The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times set forth in the Fee Letters.

(d) All fees payable hereunder shall be paid on the dates due, in immediately available funds, to the Administrative Agent (or to an Issuing Bank, in the case of fees payable to it) for distribution, in the case of commitment fees and participation fees, to the Lenders. Fees paid shall not be refundable under any circumstances.

Section 2.13. Interest. (a) The Loans comprising each ABR Borrowing (including each Swingline Loan) shall bear interest at the Alternate Base Rate plus the Applicable Rate.

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

(c) Each Protective Advance and each Overadvance shall bear interest at the Alternate Base Rate plus the Applicable Rate for Revolving Loans plus 2%.

(d) Notwithstanding the foregoing, during the occurrence and continuance of an Event of Default, (i) all Loans shall bear interest at 2% plus the rate otherwise applicable to such Loans as provided in the preceding paragraphs of this Section or (ii) in the case of any other amount outstanding hereunder, such amount shall bear interest at 2% plus the rate applicable to ABR Loans, as provided in paragraph (a) of this Section.

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

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

(g) In the event that any Borrowing Base Certificate or related information delivered pursuant to Section 5.01 is inaccurate (regardless of whether this Agreement or the Revolving Commitments are in effect when such inaccuracy is discovered), and such inaccuracy, if corrected, would have led to the application of a higher Applicable Rate for any period than the Applicable Rate actually used to determine interest rates for such period, then (a) the Borrower shall promptly deliver to the Administrative Agent a corrected Borrowing Base Certificate for such period, (b) the Applicable Rate for such period shall be retroactively determined based on the average Availability as set forth in the corrected Borrowing Base Certificate and (c) the Borrower shall promptly pay to the Administrative Agent (for the account of the Lenders during such period or their successors and assigns) the accrued additional interest owing as a result of such increased Applicable Rate for such period. This Section 2.13(g) shall not limit the rights of the Administrative Agent under this Section 2.13 or Article VII, and shall survive the termination of this Agreement.

Section 2.14. Alternate Rate of Interest. If prior to the commencement of any Interest Period for a Eurodollar Borrowing:

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

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

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone or facsimile as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) any Interest Election Request that requests the conversion of any Revolving Borrowing to, or continuation of any Revolving Borrowing as, a Eurodollar Borrowing shall be ineffective, and (ii) if any Borrowing Request requests a Eurodollar Revolving Borrowing, such Borrowing shall be made as an ABR Borrowing.

Section 2.15. Increased Costs (a) If any Change in Law shall:

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

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

(iii) subject any Lender or any Issuing Bank to any Tax of any kind whatsoever with respect to this Agreement, any Letter of Credit, any Letter of Credit application or notice requesting the issuance of a Letter of Credit, or any Eurodollar Loan made by it, or change the basis of taxation of payments to such Lender or Issuing Bank in respect thereof (except for Indemnified Taxes covered by Section 2.17 and changes in the rate of tax on the overall net income of such Lender or Issuing Bank);

and the result of any of the foregoing shall be to increase the cost to such Lender (or, in the case of (iii), to such Lender or Issuing Bank) of making or maintaining any Eurodollar Loan (or, in the case of (iii), any Loans), 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), then the Borrower will pay to such Lender or Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Bank, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or Issuing Bank determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or 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 Issuing Bank or such Lender's or Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or Issuing Bank's policies and the policies of such Lender's or Issuing Bank's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company for any such reduction suffered.

(c) A certificate of a Lender or an Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or Issuing Bank or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender or Issuing Bank, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Failure or delay on the part of any Lender or any 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 Issuing Bank pursuant to this Section for any increased costs or reductions incurred more than 270 days prior to the date that such Lender or Issuing Bank, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or 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 270-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 payment of any principal of any Eurodollar Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Eurodollar Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.09(d) and is revoked in accordance therewith), or (d) the assignment of any Eurodollar Loan other than on the last day of the Interest Period applicable

thereto as a result of a request by the Borrower pursuant to Section 2.19, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. In the case of a Eurodollar Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

Section 2.17. Taxes. (a) Any and all payments by or on account of any obligation of any Loan Party hereunder or under any other Loan Document shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if any Indemnified Taxes or Other Taxes are required to be withheld from such payments, as determined in good faith by the applicable Withholding Agent, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Administrative Agent, Lender or Issuing Bank (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) such deductions shall be made and such amounts shall be paid to the relevant Governmental Authority in accordance with applicable law.

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

(c) The Borrower shall indemnify the Administrative Agent, each Lender and any Issuing Bank, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Administrative Agent, such Lender or such Issuing Bank, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrower hereunder (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or an Issuing Bank, or by the Administrative Agent on its own behalf or on behalf of a Lender or an Issuing Bank, shall be conclusive absent manifest error. In addition, as soon as practicable after any payment of Indemnified Taxes or Other Taxes by the applicable Loan Party to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) Each Lender and Issuing Bank shall indemnify the Administrative Agent for the full amount of any Taxes that are attributable to such Lender or Issuing Bank, as applicable, and that are payable or paid by the Administrative Agent, together with all interest, penalties, reasonable costs and expenses arising therefrom or with respect thereto, as determined by the Administrative Agent in good faith. 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.

(e) Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the Borrower is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law or reasonably requested by the Borrower, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower as will permit such payments to be made without withholding or at a reduced rate. Without limiting the generality of the foregoing, in the event that the Borrower is resident for tax purposes in the United States, any Foreign Lender shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement or under an Assignment and Assumption (and from time to time thereafter upon the request of the Borrower or the Administrative Agent, but only if such Foreign Lender is legally entitled to do so), whichever of the following is applicable (together with any applicable underlying Internal Revenue Service forms):

(i) duly completed copies of Internal Revenue Service Form W-8BEN claiming eligibility for benefits of an income tax treaty to which the United States is a party,

(ii) duly completed copies of Internal Revenue Service Form W-8ECI,

(iii) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under section 881(c) of the Code, (x) a certificate to the effect that such Foreign Lender is not (A) a "bank" within the meaning of section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of the Borrower within the meaning of section 881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" described in section 881(c)(3)(C) of the Code and (y) duly completed copies of the applicable Internal Revenue Service Form W-8, or

(iv) any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in United States Federal withholding tax duly completed together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower and the Administrative Agent to determine the withholding or deduction required to be made.

Any Lender that is not a Foreign Lender shall deliver to the Borrower and the Administrative Agent copies of Internal Revenue Service Form W-9 (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Lender becomes a Lender under this Agreement or under an Assignment and Assumption (and from time to time thereafter upon the request of the Borrower or the Administrative Agent). Notwithstanding any other provision of this paragraph (e), a Lender shall not be required to deliver any form pursuant to this paragraph that such Lender is not legally able to deliver.

(f) If the Administrative Agent or a Lender determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by a Loan Party or with respect to which a Loan Party has paid additional amounts pursuant to this Section 2.17, it shall pay over such refund to the applicable Loan Party (but only to the extent of indemnity payments made, or additional amounts paid, by the applicable Loan Party under this Section 2.17 with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided, that the Loan Parties, upon the request of the Administrative Agent or such Lender, agree to repay the amount paid over to the Borrower (plus any

penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. This paragraph (f) shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes which it deems confidential) to any Loan Party or any other Person.

Section 2.18. Payments Generally; Allocation of Proceeds; Sharing of Set-offs . (a) The Borrower shall make each payment required to be made by them hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.15, Section 2.16 or Section 2.17, or otherwise) prior to 2:00 p.m., Chicago time, on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices at 120 South LaSalle Street, Chicago, Illinois, except payments to be made directly to an Issuing Bank or the Swingline Lender as expressly provided herein and except that payments pursuant to Section 2.15, Section 2.16, Section 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. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in dollars. At all times during a Cash Dominion Period, solely for purposes of determining the amount of Loans available for borrowing purposes, checks (in addition to immediately available funds applied pursuant to Section 2.10(b)) from collections of items of payment and proceeds of any Collateral shall be applied in whole or in part against the Obligations, on the Business Day after receipt, subject to actual collection.

(b) Any proceeds of Collateral received by the Administrative Agent (i) not constituting either (A) a specific payment of principal, interest, fees or other sum payable under the Loan Documents (which shall be applied as specified by the Borrower), (B) a mandatory prepayment (which shall be applied in accordance with Section 2.11) or (C) amounts to be applied from the Collection Account during a Cash Dominion Period (which shall be applied in accordance with Section 2.10(b)) or (ii) after an Event of Default has occurred and is continuing and the Administrative Agent so elects or the Required Lenders so direct, such funds shall be applied ratably first, to pay any fees, indemnities, or expense reimbursements including amounts then due to the Administrative Agent and the Issuing Banks from the Borrower (other than Banking Services Obligations or Swap Obligations), second, to pay any fees or expense reimbursements then due to the Lenders from the Borrower (other than Banking Services Obligations or Swap Obligations), third, to pay interest due in respect of the Overadvances and Protective Advances, fourth, to pay the principal of the Overadvances and Protective Advances, fifth, to pay interest then due and payable on the Loans (other than the Overadvances and Protective Advances) ratably, sixth, to prepay principal on the Loans (other than the Overadvances and Protective Advances) and unreimbursed LC Disbursements ratably, seventh, to pay an amount to the Administrative Agent equal to one hundred three percent (103%) of the aggregate undrawn face amount of all outstanding Letters of Credit and the aggregate amount of any unpaid LC Disbursements, to be held as cash collateral for such Obligations, eighth, to payment of any amounts owing with respect to Secured Obligations that are Banking Services Obligations and Swap Obligations, and ninth, to the payment of any other Secured Obligation due to the Administrative Agent or any Lender by the Borrower. Notwithstanding anything to the contrary contained in this Agreement, unless so directed by the Borrower, or unless a Default is in existence, neither the Administrative Agent nor any Lender shall apply any payment which it receives to any Eurodollar Loan of a Class, except (a) on the expiration date of the Interest Period applicable to any such Eurodollar Loan or (b) in the event, and only to the extent,

that there are no outstanding ABR Loans of the same Class and, in any such event, the Borrower shall pay the break funding payment required in accordance with Section 2.16. The Administrative Agent and the Lenders shall have the continuing and exclusive right to apply and reverse and reapply any and all such proceeds and payments to any portion of the Secured Obligations.

(c) At the election of the Administrative Agent, all payments of principal, interest, LC Disbursements, fees, premiums, reimbursable expenses (including, without limitation, all reimbursement for fees and expenses pursuant to Section 9.03), and other sums payable under the Loan Documents, may be paid from the proceeds of Borrowings made hereunder whether made following a request by the Borrower pursuant to Section 2.03 or a deemed request as provided in this Section or may be deducted from any deposit account of the Borrower maintained with the Administrative Agent. The Borrower hereby irrevocably authorizes (i) the Administrative Agent to make a Borrowing for the purpose of paying each payment of principal, interest and fees as it becomes due hereunder or any other amount due under the Loan Documents and agrees that all such amounts charged shall constitute Loans (including Swingline Loans and Overadvances, but such a Borrowing may only constitute a Protective Advance if it is to reimburse costs, fees and expenses as described in Section 9.03) and that all such Borrowings shall be deemed to have been requested pursuant to Section 2.03, Section 2.04 or Section 2.05, as applicable and (ii) the Administrative Agent to charge any deposit account of the Borrower maintained with the Administrative Agent for each payment of principal, interest and fees as it becomes due hereunder or any other amount due under the Loan Documents.

(d) If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or participations in LC Disbursements resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and participations in LC Disbursements and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans and participations in LC Disbursements of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans 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 be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

(e) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or an Issuing Bank hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or such Issuing Bank, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or such Issuing Bank, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of

payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(f) If any Lender shall fail to make any payment required to be made by it hereunder, 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 hereunder until all such unsatisfied obligations are fully paid.

Section 2.19. Mitigation Obligations; Replacement of Lenders. If any Lender requests compensation under Section 2.15, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then:

(a) such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.15 or Section 2.17, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender (and the Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment);

(b) the Borrower may, at its sole expense and effort, require such Lender or any Defaulting Lender (herein, a " Departing Lender"), upon notice to the Departing Lender and the Administrative Agent, to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Borrower shall have received the prior written consent of the Administrative Agent (and if a Revolving Commitment is being assigned, the Issuing Banks), which consent shall not unreasonably be withheld, (ii) the Departing Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements and Swingline Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments. A Departing Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

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

(a) fees shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Lender pursuant to Section 2.12(a);

(b) the Commitment and Credit Exposure of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to

Section 9.02); provided, that this clause (b) shall not apply to the vote of a Defaulting Lender in the case of an amendment, waiver or other modification requiring the consent of such Lender or each Lender affected thereby;

(c) if any Swingline Loans, Protective Advances or Overadvances are outstanding or LC Exposure exists at the time such Lender becomes a Defaulting Lender then:

(i) all or any part of the Swingline Exposure, Protective Advance Exposure, Overadvance Exposure and LC Exposure of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentages but only to the extent the sum of all non-Defaulting Lenders' Credit Exposures does not exceed the total of all non-Defaulting Lenders' Commitments,

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall within one Business Day following notice by the Administrative Agent (x) first, prepay such Overadvance Exposure and Protective Advance Exposure, (y) second, prepay such Swingline Exposure and (z) third, cash collateralize for the benefit of the Issuing Banks only the Borrower's obligations corresponding to such Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.06(j) for so long as such LC Exposure is outstanding;

(iii) if the Borrower cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to clause (ii) above, the Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.12(b) with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(iv) if the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to clause (i) above, then the fees payable to the Lenders pursuant to Section 2.12(a) and Section 2.12(b) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages; and

(v) if all or any portion of such Defaulting Lender's LC Exposure is neither reallocated nor cash collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of any Issuing Bank or any other 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 and to the extent that such LC Exposure is reallocated and/or cash collateralized; and

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

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

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

Section 2.21. Returned Payments. If after receipt of any payment which is applied to the payment of all or any part of the Obligations, the Administrative Agent or any Lender is for any reason compelled to surrender such payment or proceeds to any Person because such payment or application of proceeds is invalidated, declared fraudulent, set aside, determined to be void or voidable as a preference, impermissible setoff, or a diversion of trust funds, or for any other reason, then the Obligations or part thereof intended to be satisfied shall be revived and continued and this Agreement shall continue in full force as if such payment or proceeds had not been received by the Administrative Agent or such Lender. The provisions of this Section 2.21 shall be and remain effective notwithstanding any contrary action which may have been taken by the Administrative Agent or any Lender in reliance upon such payment or application of proceeds. The provisions of this Section 2.21 shall survive the termination of this Agreement.

ARTICLE III

Representations and Warranties

Each Loan Party represents and warrants to the Lenders that:

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

Section 3.02. Authorization; Enforceability. The Transactions are within each Loan Party's corporate powers and have been duly authorized by all necessary corporate and, if required, by all necessary shareholder action. This Agreement and each of the other Loan Documents have been duly executed and delivered by each Loan Party party thereto and constitutes, or when executed and delivered by such Loan Party will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its terms, except as such enforceability may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or similar laws of general applicability affecting the

enforcement of creditors' rights and (b) the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 3.03. Governmental Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except for (i) such as have been obtained or made and are in full force and effect and (ii) filings and recordings in respect of the Liens created pursuant to the Loan Documents and the Term Loan Documents, (b) will not violate in any material respect any Requirement of Law, (c) will not violate in any material respect or result in a material default under any Contractual Obligation upon any Loan Party or any of its Subsidiaries or their assets, or give rise to a right thereunder to require any payment to be made by any such Person and (d) except for the Liens created pursuant to the Loan Documents and the Term Loan Documents, will not result in the creation or imposition of any Lien on any asset of any Loan Party or any of its Subsidiaries.

Section 3.04. Financial Condition; No Material Adverse Effect; Projections.

(a) The Historical Financial Statements were prepared in conformity with GAAP and fairly present, in all material respects, the financial position, on a consolidated basis, of the Persons described in such financial statements as of the respective dates thereof and the results of operations and cash flows, on a consolidated basis, of the Persons described in such financial statements for each of the periods then ended, subject, in the case of any such unaudited financial statements, to changes resulting from audit and normal year-end adjustments and the absence of footnotes. As of the Effective Date, neither Holdings nor any of its Subsidiaries has any contingent liability or liability for Taxes, any long-term lease or any unusual forward or long-term commitment that is not reflected in the Historical Financial Statements or the notes thereto and that in any such case is material in relation to the business, operations, properties, assets or financial condition of Holdings and any of its Subsidiaries taken as a whole.

(b) The Pro Forma Financial Statements (i) have been prepared by Borrower in good faith, based on assumptions believed by Borrower on the date hereof to be reasonable, (ii) accurately reflect in all material respects all adjustments necessary to give effect to the Transactions and (iii) present fairly, in all material respects, the pro forma financial position, results of operations and cash flows of Holdings and its Subsidiaries as of the date and for the period specified therein as if the Transactions had occurred on such date or at the beginning of such period, as the case may be.

(c) Since September 30, 2009, there has not occurred any event, development or circumstance that has had or could reasonably be expected to have a Material Adverse Effect.

(d) The projections of Holdings and its Subsidiaries for the period of fiscal year 2010 through and including fiscal year 2015 (the "Projections") were prepared in good faith based upon assumptions that were believed by the Loan Parties to be reasonable on and as of the Effective Date (it being understood that (a) such Projections are subject to significant uncertainties and contingencies, many of which are beyond the control of the Loan Parties, (b) no assurances can be given that such Projections will be realized and (c) the actual results may vary from the results projected therein and such variances may be material).

Section 3.05. Properties.

(a) As of the date of this Agreement, Schedule 3.05 sets forth the address of each parcel of real property that is located in the United States and is owned or leased by the Loan Parties. Each of such leases and subleases is valid and enforceable in all material respects in accordance with its

terms and is in full force and effect in all material respects (except to the extent enforcement may be affected by laws relating to bankruptcy, reorganization, insolvency and creditor's rights and by the availability of injunctive relief, specific performance and other equitable remedies), and to the Loan Parties' knowledge, no default by any party to any such lease or sublease exists. Each of the Loan Parties and its Subsidiaries has good title to, or valid leasehold interests in, all its real and personal property material to its business, subject only to Liens permitted by Section 6.02 and except for minor defects in title that do not materially interfere with its ability to conduct its business as currently conducted.

(b) Each Loan Party and its Subsidiaries has valid title to all Intellectual Property owned by such party which is material to its business ("Company Intellectual Property"). All agreements under which a Loan Party or its Subsidiaries are licensed or otherwise authorized to use any Intellectual Property owned by a third party and all agreements under which a third party is licensed or otherwise authorized to use the Company Intellectual Property are valid and in full force and effect in all material respects. Schedule 3.05 sets forth a correct and complete list of all registrations and applications to register such Company Intellectual Property, as of the date of this Agreement, and, to the Loan Parties' knowledge, the use of the Company Intellectual Property by the Loan Parties and their Subsidiaries and the conduct of their businesses does not infringe upon the Intellectual Property rights of any other Person except for any such infringements that, individually or in the aggregate, could not reasonably be expected to result in 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 now pending against or, to the knowledge of such Loan Party, threatened against or affecting any Loan Parties or any of their Subsidiaries that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (other than the Disclosed Matters) or that involve this Agreement or the Transactions.

(b) Except for the Disclosed Matters and except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, no Loan Party nor any of its Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has become subject to any Environmental Liability, (iii) has received written notice of any claim with respect to any Environmental Liability or (iv) has actual knowledge of any event or circumstance which is reasonably expected to give rise to any Environmental Liability.

(c) Since the date of this Agreement, there has been no change in the status of the Disclosed Matters that, individually or in the aggregate, has resulted in, or materially increased the likelihood of, a Material Adverse Effect. No Default has occurred or is continuing.

Section 3.07. Compliance with Laws and Contractual Obligations. Each Loan Party and its Subsidiaries is in compliance with all Requirements of Law applicable to it or its property and all Contractual Obligations binding upon it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 3.08. Investment Company Status. No Loan Party nor any of its Subsidiaries is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

Section 3.09. Taxes. Each Loan Party and its Subsidiaries has timely filed or caused to be filed all tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which such Person has set aside on its books adequate reserves or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

Section 3.10. ERISA; Employee Benefit Plans.

(a) No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect. The present value of all accumulated benefit obligations under each Plan did not, as of the date of the most recent actuarial valuation report required to be prepared under the Code and ERISA reflecting such amounts, exceed by more than $50,000,000 (calculated on an actuarial valuation basis) the fair market value of the assets of such Plan, and the present value of all accumulated benefit obligations of all underfunded Plans did not, as of the date of the most recent actuarial valuation report required to be prepared under the Code and ERISA reflecting such amounts, exceed by more than $50,000,000 (calculated on an actuarial valuation basis) the fair market value of the assets of all such underfunded Plans.

(b) Except as could not reasonably be expected to have a Material Adverse Effect, the accrued benefit obligations of each Foreign Plan (based on those assumptions used to fund such Foreign Plan) with respect to all current and former participants do not exceed the assets of such Foreign Plan.

Section 3.11. Disclosure. Each Loan Party has disclosed to the Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of the reports, financial statements, certificates or other information furnished by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the negotiation of this Agreement and the other Loan Documents or delivered hereunder or thereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Any projections and pro forma financial information contained in such materials are based upon good faith estimates and assumptions believed by the Borrower to be reasonable at the time made, it being understood that (a) any projected financial information is subject to significant uncertainties and contingencies, many of which are beyond the control of the Loan Parties, (b) no assurances can be given that such projected financial information will be realized and (c) the actual results may vary from the results projected therein and such variances may be material.

Section 3.12. Use of Credit. No Loan Party nor any of its Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying Margin Stock, and no part of the proceeds of any extension of credit hereunder will be used to buy or carry any Margin Stock.

Section 3.13. Burdensome Agreements. Except as set forth on Schedule 3.13, to such Loan Party's knowledge, no Loan Party nor any of its Subsidiaries is a party to or bound by, nor are any of the properties or assets owned by any Group Member used in the conduct of their respective businesses affected by, any agreement, ordinance, resolution, decree, bond, note, indenture, order or

judgment, including, without limitation, any of the foregoing relating to any Environmental Liability, that could reasonably be expected to result in a Material Adverse Effect.

Section 3.14. Insurance. Schedule 3.14 sets forth a description of all insurance maintained by or on behalf of the Loan Parties and their Subsidiaries as of the Effective Date. As of the Effective Date, all premiums in respect of such insurance have been paid. The Borrower believes that the insurance maintained by or on behalf of the Borrower and its Subsidiaries is reasonably adequate.

Section 3.15. Capitalization and Subsidiaries. Schedule 3.15 sets forth (a) a correct and complete (in all material respects) list of the name and relationship to Holdings of each and all of Holdings' Subsidiaries, (b) a true and complete (in all material respects) listing of each class of each of the Borrower's authorized Equity Interests, of which all of such issued shares are validly issued, outstanding, fully paid and non-assessable, and owned beneficially and of record by the Persons identified on Schedule 3.15, and (c) the type of entity of Holdings and each of its Subsidiaries. All of the issued and outstanding Equity Interests owned by any Loan Party have been (to the extent such concepts are relevant with respect to such ownership interests) duly authorized and issued and are fully paid and non-assessable.

Section 3.16. Labor Matters. Except as set forth on Schedule 3.16, (a) no collective bargaining agreement or other labor contract to which any Loan Party or any of its Subsidiaries is a signatory will expire during the term of this Agreement, (b) to such Loan Party's knowledge, no union or other labor organization is seeking to organize, or to be recognized as bargaining representative for, a bargaining unit of employees of any Loan Party or any of its Subsidiaries, (c) there is no pending or, to such Loan Party's knowledge, threatened strike, work stoppage, material unfair labor practice claim or charge, arbitration or other material dispute with any union or other labor organization affecting any Loan Party or any of its Subsidiaries or its union-represented employees, in each case the consequences of which could reasonably be expected to affect aggregate business (regardless of division or entity) of the Loan Parties and their Subsidiaries which business generated gross revenues in excess of $50,000,000 individually or in the aggregate in the prior fiscal year, (d) there are no actions, suits, charges, demands, claims, counterclaims or proceedings pending or, to the best of such Loan Party's knowledge, threatened against any Loan Party or any of its Subsidiaries, by or on behalf of, or with, its employees, other than any such actions, suits charges, demands, claims, counterclaims or proceedings arising in the ordinary course of business that could not reasonably be expected to result in a Material Adverse Effect.

Section 3.17. Security Interest in Collateral. (a) The Security Agreement is effective to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a legal, valid and enforceable security interest under the laws of the United States in the Collateral as further described therein and proceeds thereof. In the case of: (i) the Pledged Collateral constituting Equity Interests, which are securities for the purposes of the UCC and are evidenced by certificates, when certificates representing such Pledged Collateral constituting Equity Interests are delivered to the Administrative Agent, (ii) other Collateral as further described in the Security Agreement, when financing statements and other filings specified on Schedule 3.17 in appropriate form are filed in the offices specified on Schedule 3.17, (iii) property acquired after the date hereof any other action required pursuant to Section 5.13, the security interest created pursuant to the Security Agreement shall constitute valid perfected security interests under the laws of the United States in such Collateral and the proceeds thereof (to the extent a security interest in such Collateral can be perfected through the filing of such financing statements, the delivery of such Pledged Collateral constituting Equity Interests, the taking of such actions required pursuant to Section 5.13, as security for the Secured Obligations, in each case prior and superior in right to any other Person (except Liens permitted by Section 6.02).

(b) Each of the Mortgages is effective to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a legal, valid and enforceable Lien on the Mortgaged Properties described therein and proceeds thereof, and when the Mortgages are filed in the offices specified on Schedule 3.17, each such Mortgage shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Loan Parties in the Mortgaged Properties and the proceeds thereof, as security for the Secured Obligations, in each case prior and superior in right to any other Person (other than the Term Loan Administrative Agent).

Section 3.18. Holdings. Holdings is a newly formed special purpose wholly-owned Subsidiary of the Parent whose business and assets consist exclusively of ownership of Equity Interests of the Borrower.

Section 3.19. Solvency. Each Loan Party is on the Effective Date, before and after the consummation of the Transactions to occur on the Effective Date, Solvent.

Section 3.20. No Restricted Payments. Since September 30, 2009, neither Holdings nor any of its Subsidiaries has directly or indirectly declared, ordered, paid or made, or set apart any sum or property for, any Restricted Payment or agreed to do so except as permitted pursuant to the Existing Credit Agreement.

Section 3.21. Related Agreements. (a) Holdings and the Borrower have delivered to Administrative Agent complete and correct copies of each Related Agreement and of all exhibits and schedules thereto as of the date hereof.

(b) On the Effective Date, (i) all of the conditions to effecting or consummating the Acquisition set forth in the Related Agreements have been duly satisfied or, with the consent of Administrative Agent (if required hereunder), waived, and (ii) the Acquisition has been consummated in accordance in all material respects with the Related Agreements and all applicable laws.

Section 3.22. Patriot Act Compliance. To the extent applicable, each Loan Party is in compliance, in all material respects, with (i) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (ii) the Act. No part of the proceeds of the Loans will be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

ARTICLE IV

Conditions

Section 4.01. Closing. The obligations of the Lenders to make Loans and of the Issuing Banks 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 (i) (A) from each party hereto either (1) a counterpart of this Agreement signed on behalf of such party or (2) written evidence reasonably satisfactory to the Administrative Agent (which may include facsimile or electronic mail transmission of a signed

signature page of this Agreement) that such party has signed a counterpart of this Agreement and (B) from the Required Lenders (as defined in the Existing Credit Agreement) either (1) a counterpart of this Agreement signed on behalf of such party or (2) written evidence reasonably satisfactory to the Administrative Agent (which may include facsimile or electronic mail transmission of a signed consent) that such party has consented to the amendment and restatement of the Existing Credit Agreement in the form of this Agreement and (ii) duly executed copies of the Loan Documents and such other certificates, documents, instruments and agreements as the Administrative Agent shall reasonably request in connection with the transactions contemplated by this Agreement and the other Loan Documents, including any promissory notes requested by a Lender pursuant to Section 2.10 payable to the order of each such requesting Lender.

(b) Financial Statements and Projections. The Administrative Agent shall have received from Holdings (i) the Historical Financial Statements, each certified by a Financial Officer of the Borrower as presenting fairly in all material respects the financial condition and results of operations of Holdings and its Subsidiaries or ATT and its subsidiaries, as applicable, in each case on a consolidated basis in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes and which (x) in the case of the financial statements referred to in clause (a) of the definition of "Historical Financial Statements", shall have been delivered not fewer than 30 Business Days prior to the Effective Date and (y) in the case of the financial statements referred to in clause (b) of the definition of "Historical Financial Statements", shall have been delivered not fewer than 30 days after the last day of the relevant period, and (ii) the pro forma consolidated balance sheet and related consolidated statement of operations of Holdings and its Subsidiaries as of the end of or for the period of twelve consecutive months ending on the last day of the most recently ended fiscal quarter or calendar month for which financial statements or "flash reports" have been delivered pursuant to clause (i) above, prepared after giving effect to the Transactions, which pro forma financial statements shall be in form and substance satisfactory to Administrative Agent and which shall have been delivered concurrently with the financial statements or "flash reports" delivered pursuant to clause (i) above.

(c) Closing Certificates; Certified Certificate of Incorporation; Good Standing Certificates. The Administrative Agent shall have received (i) a certificate of each Loan Party, dated the Effective Date and executed by its Secretary, Assistant Secretary or Financial Officer, which shall (A) certify the resolutions of its Board of Directors, members or other body authorizing the execution, delivery and performance of the Loan Documents to which it is a party, (B) identify by name and title and bear the signatures of the Financial Officers and any other officers of such Loan Party authorized to sign the Loan Documents to which it is a party, and (C) contain appropriate attachments, including the certificate or articles of incorporation or organization of each 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 or partnership agreement, and (ii) a long form good standing certificate for each Loan Party from its jurisdiction of organization.

(d) Effective Date Certificate. The Administrative Agent shall have received an Effective Date Certificate, duly executed by Holdings and the Borrower, together with all attachments thereto.

(e) Fees. (i) The Borrower shall have (i) paid to the Administrative Agent, the Arrangers and the Lenders all costs, fees, expenses and amounts (including, without limitation, legal fees and expenses) due and payable on or before the Effective Date pursuant to the

Commitment Letter or the Loan Documents, (ii) prepaid all Loans outstanding under (and as defined in) the Existing Credit Agreement (and all accrued and unpaid interest thereon) and (iii) paid all accrued and unpaid commitment fees and letter of credit fees under the Existing Credit Agreement, accrued to (but not including) the Effective Date.

(f) Lien Searches. The Administrative Agent shall have received the results of a recent lien search in each of the jurisdictions of organization of each of the Loan Parties and where any of the Mortgaged Properties is located, and such search results shall reveal no liens on any of the assets of the Loan Parties except for liens permitted by Section 6.02 or discharged on or prior to the Effective Date pursuant to a pay-off letter or other documentation satisfactory to the Administrative Agent.

(g) Acquisition. (i) All conditions to the Acquisition set forth in the Acquisition Agreement shall have been satisfied or the fulfillment of any such conditions shall have been waived and (ii) the Acquisition shall have been, or substantially simultaneously with the effectiveness of this Agreement, shall be, consummated in accordance with the terms of the Acquisition Agreement, in each case without giving effect to any amendment, supplement, modification or waiver of any term or condition of the Acquisition Agreement, or any consent under the Acquisition Agreement, that in the reasonable judgment of the Administrative Agent is adverse in any material respect to the Lenders or any Arranger in their capacities as such, unless approved by the Administrative Agent.

(h) Existing Indebtedness. On the Effective Date, the Administrative Agent shall have received evidence reasonably satisfactory to it that (i) to the extent the Senior Notes are not purchased and retired on or before the Effective Date pursuant to tender offers for the Senior Notes, (A) irrevocable notices of redemption for the Senior Notes not tendered shall have been, or substantially simultaneously with the effectiveness of this Agreement will be, given to the holders of such Senior Notes to redeem the Senior Notes on or about 30 days following the Effective Date (the "Senior Notes Redemption Date") and (B) the conditions to achieve a Covenant Defeasance of the Senior Notes pursuant to the Senior Notes Indentures have been, or substantially simultaneously with the effectiveness of this Agreement will be, satisfied ; provided that, with respect to the Floating Rate Notes, a Covenant Defeasance shall not be required if, prior to or substantially simultaneously with the effectiveness of this Agreement, (1) the Floating Rate Supplemental Indenture shall have become effective and (2) cash in dollars shall have been deposited with the trustee under the Floating Rate Indenture in an amount, reasonably estimated by the Borrower (and reasonably approved by the Administrative Agent), sufficient to satisfy the requirements of Section 8.04(a)(i) of the Floating Rate Indenture; and (ii) all principal, premium, if any, interest, fees and other amounts due or outstanding under the Existing Debt Agreements (other than under the Senior Notes Indentures and other than with respect to any outstanding letters of credit collateralized in a manner satisfactory to the Administrative Agent) shall have been paid in full, the commitments to lend or make other extensions of credit thereunder terminated and all guarantees and security in support thereof discharged and released. The Administrative Agent shall have received evidence reasonably satisfactory to it (i) that, immediately after giving effect to the Transactions, none of Holdings or any of its Subsidiaries shall have any Indebtedness other than the Indebtedness created under this Agreement, the Indebtedness created under the Term Loan Credit Agreement and the Indebtedness set forth on Schedule 6.01(a) and (ii) that, immediately after giving effect to the Transactions, there will not be exist any default or any event of default under any of the documents governing the Indebtedness set forth on Schedule 6.01(a).

(i) Material Adverse Effect. Since September 30, 2009 (with respect to Holdings and its Subsidiaries immediately prior to the Acquisition) and since October 3, 2009 (with respect to the Target and its Subsidiaries), there shall not have occurred any Combined Material Adverse Effect. Since October 3, 2009, there shall not have occurred any Company Material Adverse Effect.

(j) Funding Accounts. The Administrative Agent shall have received a notice setting forth the deposit account(s) of the Borrower (the "Funding Accounts") to which the Lender is authorized by the Borrower to transfer the proceeds of any Borrowings requested or authorized pursuant to this Agreement.

(k) Customer List. The Administrative Agent shall have received a true and complete list of customers of each Loan Party (other than with respect to any customer whose accounts shall not exceed $25,000 in the aggregate during the twelve months preceding the date hereof).

(l) Specified Representations. The Specified Representations shall be true and correct on and as of the Effective Date in all material respects; provided that, any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct in all respects on such date.

(m) Solvency. The Administrative Agent shall have received a satisfactory solvency certificate signed by a Financial Officer of the Borrower and each Guarantor, in form, scope and substance reasonably satisfactory to the Administrative Agent and certifying that after giving effect to the consummation of the Acquisition and the other Transactions and any rights of contribution, such Loan Party will be Solvent.

(n) Borrowing Base Certificate. The Administrative Agent shall have received a Borrowing Base Certificate which calculates the Borrowing Base as of the end of the month immediately preceding the Effective Date.

(o) Closing Availability. After giving effect to the Transactions, and with all of the Loan Parties' indebtedness, liabilities, and obligations current (other than in the ordinary course of business), the Borrower's Availability *plus* (without duplication) Unrestricted Cash of the Borrower and its domestic Subsidiaries shall not be less than $50,000,000.

(p) Collateral and Guarantee Requirement. The Collateral and Guarantee Requirement shall have been satisfied; provided that if, notwithstanding the use by the Loan Parties of commercially reasonable efforts to cause the Collateral and Guarantee Requirement to be satisfied on the Effective Date, the requirements thereof (other than (i) the execution and delivery of this Agreement and the Security Agreement by the Loan Parties, (ii) the creation, pledge and perfection of security interests in (x) the Equity Interests of the Borrower and the Domestic Subsidiaries of Holdings (to the extent required by paragraph (d) of the definition of "Collateral and Guarantee Requirement") and (y) the certificated securities representing debt (to the extent required by paragraph (e) of the definition of "Collateral and Guarantee Requirement"), (iii) the execution and delivery of "short form" intellectual property security agreements with respect to the Intellectual Property of the Loan Parties that is to be perfected by filing such agreements with the United States Patent and Trademark Office or the United States Copyright Office and (iv) the delivery of UCC financing statements with respect to perfection of security interests in other assets of the Loan Parties that may be perfected by the filing of a financing statement under the UCC) are not satisfied as of the Effective Date, the satisfaction of

such requirements shall not be a condition to the effectiveness of this Agreement or the availability of the Loans (but shall be required to be satisfied as promptly as practicable after the Effective Date and in any event within the period specified therefor in Schedule 4.01(p) or such later date as the Administrative Agent may agree in its reasonable discretion). The Administrative Agent shall have received a completed Perfection Certificate, dated the Effective Date and executed by an authorized officer of the Borrower, together with all attachments contemplated thereby.

(q) Opinions of Counsel to Loan Parties. The Administrative Agent shall have received executed copies of the favorable written opinions of Dechert LLP, counsel for the Loan Parties, addressed to the Administrative Agent and the Lenders, covering such other matters as the Administrative Agent may reasonably request, dated as of the Effective Date and in form and substance reasonably satisfactory to the Administrative Agent (and each Loan Party hereby instructs such counsel to deliver such opinions to the Administrative Agent).

(r) Ratings. Holdings shall have been assigned a public corporate family rating from Moody's and a public corporate rating from S&P and the Revolving Loans shall have been assigned a public rating from each of Moody's and S&P.

(s) Insurance. The Administrative Agent shall have received evidence of insurance coverage in form, scope, and substance reasonably satisfactory to the Administrative Agent and otherwise in compliance in all material respects with the terms of Section 5.06 and Section 4.12 of the Security Agreement.

(t) [Reserved]

(u) Approvals. All domestic and foreign governmental and third party approvals reasonably necessary in connection with the Transactions and the continuing operations of the Borrower and its Subsidiaries (including shareholder approvals, if any) shall have been obtained on terms reasonably satisfactory to the Administrative Agent. Such governmental and third party approvals shall be in full force and effect in all material respects. All applicable waiting periods shall have expired without any action being taken or threatened by any Governmental Authority of competent jurisdiction that would restrain, prevent or otherwise impose materially adverse conditions on the Acquisition or the financing contemplated hereby and by the Term Loan Credit Agreement and no action, request for stay, petition for review, or rehearing, reconsideration or appeal with respect to any of the foregoing shall be pending, and the time for any applicable agency to take action to set aside its consent on its own motion shall have expired.

(v) No Litigation. There shall not exist any action, suit, investigation, litigation, proceeding, hearing or other legal or regulatory developments, pending or, to the knowledge of the Borrower, threatened in any court or before any arbitrator or Governmental Authority that, individually or in the aggregate, materially impairs the Acquisition or the other Transactions, the financing thereof or any of the other transactions contemplated by the Loan Documents or the Related Agreements.

(w) Collateral Reports. The Administrative Agent shall have received asset appraisals of Inventory and field examinations of the Accounts, Inventory and related working capital matters and financial information of the Loan Parties and of the related data processing and other systems (which is reasonably satisfactory to the Administrative Agent) performed by

the Administrative Agent or from firms and appraisers selected by the Administrative Agent in its Permitted Discretion.

(x) Cash Management. The Administrative Agent shall be reasonably satisfied with the cash management arrangements of Holdings, the Target and their respective subsidiaries.

(y) Patriot Act Information. At least 10 days prior to the Effective Date, the Lenders shall have received all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Act.

(z) Capitalization. On or before the Effective Date, Holdings shall have received, substantially simultaneously with the effectiveness of this Agreement, the Equity Contribution and shall have contributed the proceeds thereof to the Borrower in the form of cash common equity.

(aa) Existing Credit Agreement. Immediately prior to, or substantially simultaneously with, the effectiveness of this Agreement, there shall be no Indebtedness outstanding under the Existing Credit Agreement.

(bb) Effectiveness of Term Loan Credit Agreement. The Administrative Agent shall have received evidence reasonably satisfactory to it that (i) the Term Loan Credit Agreement has been executed and delivered by the parties thereto, (ii) the Term Loan Credit Agreement shall become effective (with aggregate commitments not less than $375,000,000 on the Effective Date) and (iii) the Administrative Agent shall have received sufficient copies of each Term Loan Document as the Administrative Agent shall reasonably request, executed and delivered by each other party thereto.

The Administrative Agent shall notify the Borrower and the Lenders of the Effective Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit hereunder shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 9.02) at or prior to 5:00 p.m., New York time, on October 4, 2010 (and, in the event such conditions are not so satisfied or waived, the Commitments shall terminate at such time).

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

(a) The representations and warranties of the Loan Parties set forth in this Agreement shall be true and correct in all material respects on and as of the date of such Borrowing or the date of issuance, amendment, renewal or extension of such Letter of Credit, as applicable; provided that, any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct in all respects on such date; provided further that, on the Effective Date, the only representations and warranties made by, or with respect to, the Target and its subsidiaries the accuracy of which shall be a condition to the effectiveness of this Agreement shall be those set forth in (i) Section 3.01, Section 3.02, Section 3.03, Section 3.08, Section 3.12, Section 3.17, Section 3.19 and Section 3.22 and (ii) Article III of the Security Agreement.

(b) At the time of and immediately after giving effect to such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit (in each case, other than on the Effective Date), as applicable, no Default shall have occurred and be continuing.

(c) After giving effect to any Borrowing or the issuance of any Letter of Credit, Availability is not less than zero.

Each Borrowing and each issuance, amendment, renewal or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in paragraphs (a), (b) and (c) of this Section.

ARTICLE V

AFFIRMATIVE COVENANTS

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees, expenses and other amounts payable hereunder shall have been paid in full and all Letters of Credit shall have expired or terminated and all LC Disbursements shall have been reimbursed, each Loan Party, jointly and severally with all of the Loan Parties, covenants and agrees with the Lenders that:

Section 5.01. Financial Statements, Borrowing Base and Other Information . The Borrower will furnish to the Administrative Agent and each Lender:

(a) on the date that is the earliest of (i) the date on which Holdings' (or, prior to a Permitted Change of Control Transaction, Griffon's or Holdings') financial statements shall have been filed with the SEC, (ii) the date Holdings' (or, prior to a Permitted Change of Control Transaction, Griffon's or Holdings') financial statements are required to be filed with the SEC (without regard to any extension of the SEC's filing requirements) and (iii) the day which is 120 days after the end of each fiscal year of Holdings, the audited consolidated balance sheet and related statements of income, stockholders' equity and cash flows of Holdings and its Subsidiaries as of the end of and for such year, together with consolidating balance sheets and statements of income, stockholders' equity and cash flows by business unit consistent with past practice and, within each business unit, a further breakdown of consolidating financial information between Subsidiaries which are Loan Parties within such business unit and Subsidiaries which are not Loan Parties within such business unit (which consolidating financial information shall not be subject to the audit procedures applied in the audit but shall be certified by a Financial Officer of the Borrower as presenting fairly in all material respects the financial condition and results of operations of the Holdings and its Subsidiaries on a consolidating basis in accordance with GAAP), setting forth in each case in comparative form the figures for the previous fiscal year, all reported on, in the case of the consolidated financial statements, by Grant Thornton LLP or other independent public accountants of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of Holdings and its Subsidiaries on a consolidated basis in accordance with GAAP together with a Narrative Report with respect thereto;

(b) on the date that is the earliest of (i) the date on which Holdings' (or, prior to a Permitted Change of Control Transaction, Griffon's or Holdings') financial statements shall have been filed with the SEC, (ii) the date Holdings' (or, prior to a Permitted Change of Control

Transaction, Griffon's or Holdings') financial statements are required to be filed with the SEC (without regard to any extension of the SEC's filing requirements) and (iii) the day which is 60 days after the end of each of the first three quarterly periods of each fiscal year of Holdings, commencing with respect to the fiscal quarter ending December 31, 2010, the consolidated balance sheet and related statements of income, stockholders' equity and cash flows of Holdings and its Subsidiaries as of the end of and for such year, together with consolidating balance sheets and statements of income, stockholders' equity and cash flows by business unit consistent with past practice and, within each business unit, a further breakdown of consolidating financial information between Subsidiaries which are Loan Parties within such business unit and Subsidiaries which are not Loan Parties within such business unit as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for (or, in the case of the balance sheet, as of the end of) the corresponding period or periods of the previous fiscal year all certified by a Financial Officer of the Borrower as presenting fairly in all material respects the financial condition and results of operations of Holdings and its Subsidiaries on a consolidated and consolidating basis in accordance with GAAP, subject to normal year end audit adjustments and the absence of footnotes, together with a Narrative Report with respect thereto;

(c) within 30 days after the end of each fiscal month of Holdings (or, in the case of a fiscal month which is the last fiscal month of a fiscal quarter of Holdings, by the date on which the quarterly financial statements of Holdings are due pursuant to Section 5.01(b)) or (ii) in the case of the first six fiscal months ending after the closing date, 45 days after such end of Holdings, commencing with respect to the fiscal month ended October 31, 2010, the consolidated balance sheet and related consolidated statements of operations, stockholders' equity and cash flows of Holdings and its Subsidiaries as of the end of and for such fiscal month and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by a Financial Officer of the Borrower as presenting fairly in all material respects the financial condition and results of operations of Holdings and its Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes;

(d) concurrently with any delivery of financial statements under paragraph (a), (b) or (c) of this Section, a certificate of a Financial Officer of the Borrower in substantially the form of Exhibit C (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) commencing with the certificate for the period ending September 30, 2010, setting forth reasonably detailed calculations of the Fixed Charge Coverage Ratio and, if applicable, demonstrating compliance with Section 6.11, and (iii) stating whether any change in GAAP or in the application thereof has occurred since the date of the Historical Financial Statements referred to in Section 3.04 or since the date of any such notice and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate and delivering one or more statements of reconciliation for all such prior financial statements in form and substance reasonably satisfactory to the Administrative Agent;

(e) concurrently with any delivery of financial statements under paragraph (a) of this Section, a certificate of the accounting firm that reported on such financial statements stating whether they obtained knowledge during the course of their examination of such financial statements of any Default arising as a result of non-compliance with Article VI, including Section 6.11, if applicable (which certificate may be limited to the extent required by accounting rules or guidelines);

(f) promptly upon receipt thereof, copies of all other reports submitted to Holdings and its Subsidiaries by its independent certified public accountants in connection with any annual or interim audit or review of the books of Holdings and its Subsidiaries made by such accountants;

(g) annually, as soon as available, but in any event within 45 days after the last day of each fiscal year of Holdings, consolidated and consolidating projections of Holdings and its Subsidiaries and for the Loan Parties for the following three fiscal years thereafter (with such projections to be provided on a quarterly basis for the first year and on an annual basis for the next two years);

(h) promptly following receipt thereof, copies of any documents described in Sections 101(k) or 101(l) of ERISA that Holdings or any ERISA Affiliate may request with respect to any Multiemployer Plan; provided, that if Holdings or any of its ERISA Affiliates have not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, then, upon reasonable request of the Administrative Agent, Holdings and/or their ERISA Affiliates shall promptly make a request for such documents or notices from such administrator or sponsor and Holdings shall provide copies of such documents and notices promptly after receipt thereof;

(i) annually, at the time of delivery of annual financial statements with respect to the preceding fiscal year pursuant to paragraph (a) of this Section, a certificate of an authorized officer of the Borrower (i) either confirming that there has been no change in such information since the date of the Perfection Certificate delivered on the Effective Date or the date of the most recent certificate delivered pursuant to this Section and/or identifying such changes and (ii) certifying that all UCC financing statements (including fixtures filings, as applicable) and all supplemental intellectual property security agreements or other appropriate filings, recordings or registrations, have been filed of record in each governmental, municipal or other appropriate office in each jurisdiction identified pursuant to clause (i) above (or in such Perfection Certificate) to the extent necessary to effect, protect and perfect the security interests under the Collateral Documents for a period of not less than 18 months after the date of such certificate (except as noted therein with respect to any continuation statements to be filed within such period);

(j) if applicable, promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by any Group Member with the SEC, or any Governmental Authority succeeding to any or all of the functions of said Commission, or with any national securities exchange, or distributed by any Group Member to its shareholders generally, as the case may be;

(k) as soon as available and in any event by the last day of each fiscal year of Holdings, a certificate from the Borrower's insurance broker(s) in form and substance satisfactory to the Administrative Agent outlining all material insurance coverage maintained as of the date of such certificate by Holdings and its Subsidiaries;

(l) as soon as available but in any event within 20 days of the end of each calendar month (or, if an Event of Default shall have occurred and be continuing or Availability is less than 15% of the Revolving Commitments, within 3 days (but in no event earlier than two Business Days) after the end of each week), as of the period then ended, a Borrowing Base Certificate and supporting information in connection therewith, together with any additional reports with respect to Borrowing Base as the Administrative Agent may reasonably request;

(m) as soon as available but in any event within 20 days of the end of each calendar month (or, with respect to clause (iii) below, if an Event of Default shall have occurred and be continuing or Availability is less than 15% of Revolving Commitments, within 3 days (but in no event earlier than two Business Days) after the end of each week) and at such other times as may be requested by the Administrative Agent, as of the period then ended, all delivered electronically in a text formatted file acceptable to the Administrative Agent:

(i) a detailed aging of the Loan Parties' Accounts (1) including all invoices aged by invoice date and due date (with an explanation of the terms offered) and (2) reconciled to the Borrowing Base Certificate delivered as of such date prepared in a manner reasonably acceptable to the Administrative Agent, together with a summary specifying the name, address, and balance due for each Account Debtor;

(ii) a schedule detailing the Loan Parties' Inventory, in form reasonably satisfactory to the Administrative Agent, (1) by location (showing Inventory in transit, any Inventory located with a third party under any consignment, bailee arrangement, or warehouse agreement), by class (raw material, work-in-process and finished goods), by product type, and by volume on hand, which Inventory shall be valued at the lower of cost (determined on a first-in, first-out basis) or market and adjusted for Reserves as the Administrative Agent has previously indicated to the Borrower in writing are deemed by the Administrative Agent to be reasonably appropriate, (2) including a report of any variances or other results of Inventory counts performed by the Loan Parties since the last Inventory schedule (including information regarding sales or other reductions, additions, returns, credits issued by the Loan Parties and complaints and claims made against the Loan Parties), and (3) reconciled to the Borrowing Base Certificate delivered as of such date;

(iii) a worksheet of calculations prepared by the Borrower to determine Eligible Accounts and Eligible Inventory, such worksheets detailing the Accounts and Inventory excluded from Eligible Accounts and Eligible Inventory and the reason for such exclusion;

(iv) a reconciliation of the Loan Parties' Accounts and Inventory between the amounts shown in the Loan Parties' general ledger and financial statements and the reports delivered pursuant to clauses (i) and (ii) above; and

(v) a reconciliation of the loan balance per the Borrower's general ledger to the loan balance under this Agreement;

(n) as soon as available but in any event within 20 days of the end of each calendar month, as of the month then ended, a schedule and aging of the Loan Parties' accounts payable, delivered electronically in a text formatted file acceptable to the Administrative Agent;

(o) as soon as available but in any event within 20 days of the end of each March 31 and September 30, an updated customer list (other than with respect to any customer whose accounts shall not exceed $25,000 in the aggregate during the twelve months preceding such date) for each Loan Party, which list shall state the customer's name, mailing address and phone number and shall be certified as true and correct by a Financial Officer of the Borrower, delivered electronically in a text formatted file acceptable to the Administrative Agent;

(p) promptly upon the Administrative Agent's reasonable request:

(i) copies of invoices issued by the Loan Parties in connection with any Accounts, credit memos, shipping and delivery documents, and other information related thereto;

(ii) copies of purchase orders, invoices, and shipping and delivery documents in connection with any Inventory purchased by the Loan Parties; and

(iii) a schedule detailing the balance of all intercompany accounts of the Loan Parties;

(q) as soon as reasonably practicable but in any event within 20 days of the end of each calendar month (or, if an Event of Default shall have occurred and be continuing or Availability is less than 15% of Revolving Commitments, within 3 days (but in no event earlier than two Business Days) after the end of each week) and at such other times as may be requested by the Administrative Agent, as of the period then ended, the Loan Parties' sales journal, cash receipts journal (identifying trade and non-trade cash receipts) and debit memo/credit memo journal;

(r) as soon as reasonably practicable and in any event within ten Business Days after the end of each calendar month, a detailed listing of all intercompany loans made by the Loan Parties during such calendar month; and

(s) promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of Holdings or any of its Subsidiaries, or compliance with the terms of this Agreement and the other Loan Documents, as the Administrative Agent or any Lender may reasonably request.

Documents required to be delivered pursuant to Section 5.01(a), (b), (c) or, if applicable (j) (to the extent any such documents are included in materials otherwise filed with the SEC) shall be deemed to have been delivered on the date (i) on which any of Griffon, the Parent, Holdings or the Borrower posts such documents or provides a link thereto on Griffon's, the Parent's, Holdings' or the Borrower's website or (ii) on which such documents are posted on Griffon's, Holdings' or the Borrower's behalf on Intralinks/IntraAgency 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); provided that the Borrower shall notify the Administrative Agent (by telecopier or electronic mail) of the posting of any such documents and provide the Administrative Agent with electronic mail versions of such documents.

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

(a) the occurrence of any Default;

(b) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting Holdings or any of its Affiliates, other than disputes in the ordinary course of business or, whether or not in the ordinary course of business, disputes involving amounts exceeding $10,000,000 (excluding, however, any actions relating to workers' compensation claims or negligence claims relating to use of motor vehicles, if fully covered by insurance, subject to deductibles);

(c) the occurrence of any ERISA Event, or any fact or circumstances that gives rise to a reasonable expectation that any ERISA Event will occur, that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in liability of Holdings and any of its ERISA Affiliates in an aggregate amount exceeding $50,000,000;

(d) any Lien (other than Permitted Encumbrances) or claim made or asserted against any of the Collateral;

(e) any loss, damage, or destruction to the Collateral in the amount of $5,000,000 or more, whether or not covered by insurance;

(f) any and all default notices received under or with respect to any leased location or public warehouse where Collateral with a value in excess of $1,000,000 is located (which shall be delivered within three Business Days after receipt thereof);

(g) [Reserved];

(h) the fact that a Loan Party has entered into a Swap Agreement or an amendment to a Swap Agreement, together with copies of all agreements evidencing such Swap Agreement or amendments thereto (which shall be delivered within three Business Days following execution and delivery thereof);

(i) any fact, condition, event or occurrence governed by Environmental Law or any Hazardous Materials Activity that, in any such case, could reasonably be expected to form the basis of any environmental claim, or the assertion in writing of any environmental claim, by any Person against, or with respect to the activities of, any Group Member and any alleged violation of or non compliance with any Environmental Laws or any permits, licenses or authorizations, other than any environmental claim or alleged violation that, alone or together with any other such matters that have occurred, could reasonably be expected to result in liability of the Group Members in an aggregate amount exceeding $10,000,000;

(j) any change (i) in any Loan Party's corporate name, (ii) in any Loan Party's corporate structure, (iii) in any Loan Party's jurisdiction of organization or (iv) the organization identification number, if any, or, with respect to any Loan Party organized under the laws of a jurisdiction that requires such information to be set forth on the face of a UCC financing statement, the Federal Taxpayer Identification Number of such Loan Party (and Holdings and the Borrower agree not to effect or permit any of the Loan Parties to effect any change referred to in this Section 5.02(j) unless all filings have been made under the UCC or otherwise that are required in order for the Administrative Agent to continue at all times following such change to have a valid, legal and perfected security interest in all the Collateral as contemplated in the Collateral Documents); and

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

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

Section 5.03. Existence; Conduct of Business. Each Loan Party will, and will cause each of its Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full

force and effect its legal existence and the rights, licenses, permits, privileges and franchises material to the conduct of its business; provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.03.

Section 5.04. Payment of Obligations. Each Loan Party will, and will cause each of its Subsidiaries to, pay its obligations, including tax liabilities, that, if not paid, could result in a Material Adverse Effect before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings where a claim has been made against the relevant Loan Party, (b) such Loan Party has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

Section 5.05. Maintenance of Properties. Each Loan Party will, and will cause each of its Subsidiaries to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, and taking into account the prevailing industry standards and the locations of such property.

Section 5.06. Maintenance of Insurance. Each Loan Party will, and will cause each of its Subsidiaries to, maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations; provided that the Borrower may maintain self-insurance consistent with its past practices and policies.

Section 5.07. Books and Records. Each Loan Party will, and will cause each of its Subsidiaries to, keep proper books of record and account in which full, true and correct entries in all material respects are made of all dealings and transactions in relation to its business and activities.

Section 5.08. Inspection Rights; Collateral Reports. (a) Each Loan Party will, and will cause each of its Subsidiaries to, permit any representatives designated by the Administrative Agent or any Lender (including any consultants, lawyers and appraisers retained by the Administrative Agent), upon reasonable prior notice, to visit and inspect its properties (including field examinations to ensure the adequacy of the Collateral to support the Borrowing Base and related reporting and control systems), to examine and make extracts from its books and records, including environmental assessment reports, and to discuss its affairs, finances and condition with its officers and independent accountants, all at the sole expense of such Loan Party and at such reasonable time as requested and as often as reasonably requested (it being understood that the Administrative Agent shall conduct at least one field examination per calendar year); provided that the Loan Parties shall not be required to reimburse the Administrative Agent for the reasonable costs of more than one field examination per calendar year unless the Administrative Agent, in its Permitted Discretion, decides to perform a second field examination in any calendar year (in which case the Loan Parties shall also be required to reimburse the Administrative Agent for the reasonable costs of such second field examination); provided, however, that there shall be no limitation on the Loan Parties' obligation to reimburse for, or the number or frequency of, such field examinations if an Event of Default shall have occurred and be continuing or if the Availability is less than 15% of the Revolving Commitments at the time such field examination is scheduled or commenced.

(b) At any time that the Administrative Agent reasonably requests, each Loan Party will, at its sole expense, provide the Administrative Agent and, to the extent requested by any Lender, such Lender, with appraisals or updates thereof of their Inventory from an appraiser selected and engaged by the Administrative Agent, and prepared on a basis reasonably satisfactory to the Administrative Agent, such appraisals and updates to include, without limitation, information required by applicable law and regulations; provided that the Loan Parties shall not be required to reimburse the

Administrative Agent for the reasonable costs of more than one appraisal of each Inventory per calendar year; provided, however, that there shall be no limitation on the Loan Parties' obligation to reimburse for, or the number or frequency of, such appraisals if an Event of Default shall have occurred and be continuing or if the Availability is less than 15% of the Revolving Commitments at the time such appraisal process is scheduled or commenced.

Section 5.09. Compliance with Laws and Contractual Obligations. Each Loan Party will, and will cause each of its Subsidiaries to, comply with all Requirements of Law (including any Environmental Laws) applicable to it or its property, and all Contractual Obligations binding upon it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 5.10. Use of Proceeds. The proceeds of the Loans, and the Letters of Credit issued hereunder, will only be used by the Borrower to finance the working capital needs and for general corporate purposes of, including Permitted Acquisitions by, the Borrower and its Subsidiaries. No part of the proceeds of any Loan or any Letter of Credit issued hereunder will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations U and X.

Section 5.11. Casualty and Condemnation. The Borrower (a) will furnish to the Administrative Agent and the Lenders prompt written notice of any casualty or other insured damage to any material portion of the Collateral or the commencement of any action or proceeding for the taking of any material portion of the Collateral or interest therein under power of eminent domain or by condemnation or similar proceeding and (b) will ensure that the Net Insurance/Condemnation Proceeds of any such event (whether in the form of insurance proceeds, condemnation awards or otherwise) are collected and applied in accordance with the applicable provisions of this Agreement and the Loan Documents.

Section 5.12. Depository Banks. On and after the date which is 90 days after the Effective Date, with respect to the Target and its subsidiaries, and with respect to the other Loan Parties, on and after the Effective Date, the Loan Parties will maintain the Administrative Agent (or any Lender reasonably satisfactory to the Administrative Agent) as their principal depository bank, including for the maintenance of operating, administrative, cash management, collection activity, and other deposit accounts for the conduct of its business.

Section 5.13. Collateral; Further Assurances. Each Loan Party will execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust and other documents) that may be required under any applicable law, or that Administrative Agent or may reasonably request, to cause the Collateral and Guarantee Requirement to be and remain satisfied at all times and otherwise to effectuate the provisions of the Loan Documents, all at the expense of the Loan Parties. The Borrower will provide to the Administrative Agent, from time to time upon request, evidence reasonably satisfactory to the Administrative Agent as to the perfection and priority of the Liens created or intended to be created by the Collateral Documents.

Section 5.14. Post-Closing Deliverables. (a) Within 90 days after the Effective Date, the Loan Parties will use commercially reasonable efforts to deliver to the Administrative Agent each (i) Collateral Access Agreement required to be provided pursuant to Section 4.13 of the Security Agreement and (ii) Control Agreement required to be provided pursuant to Section 7.1 of the Security Agreement.

(b) Within 15 Business Days after the Effective Date, the Borrower shall have (i) executed JPMorgan's master agreement for the issuance of commercial Letters of Credit in form and substance reasonably satisfactory to JPMorgan and the Borrower and (ii) entered into assignment documentation in form and substance reasonably acceptable to JPMorgan with respect to the Griffon Letters of Credit issued by JPMorgan.

Section 5.15. Ratings. Unless otherwise consented to by the Administrative Agent or the Required Lenders, the Loan Parties shall use commercially reasonable efforts to maintain a public corporate family rating from Moody's with respect to Holdings, a public corporate credit rating from S&P with respect to Holdings and a public credit rating from each of Moody's and S&P with respect to the Revolving Loans.

Section 5.16. Interest Rate Protection. No later than sixty (60) days following the Effective Date and at all times thereafter until the third anniversary of the Effective Date, the Borrower shall obtain and cause to be maintained protection against fluctuations in interest rates pursuant to one or more Interest Rate Agreements in form and substance reasonably satisfactory to the Administrative Agent, in order to ensure that no less than 50% of the aggregate principal amount of the total Indebtedness for borrowed money of Holdings and its Subsidiaries outstanding as of the Effective Date is either (i) subject to such Interest Rate Agreements or (ii) Indebtedness that bears interest at a fixed rate.

ARTICLE VI

NEGATIVE COVENANTS

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees, expenses and other amounts payable hereunder have been paid in full and all Letters of Credit have expired or terminated and all LC Disbursements shall have been reimbursed, the Loan Parties, jointly and severally, covenant and agree with the Lenders that:

Section 6.01. Indebtedness; Guarantees. (a) The Loan Parties will not, and will not permit any of their Subsidiaries to, create, incur, assume or permit to exist any Indebtedness, except:

(i) Indebtedness of any Loan Party pursuant to any Loan Document (other than the Intercreditor Agreement), including, without limitation, any additional Indebtedness incurred pursuant to any increase of Commitments, and Secured Obligations;

(ii) Indebtedness of any Loan Party pursuant to any Term Loan Document (or any Permitted Refinancing thereof) in an aggregate outstanding principal amount not to exceed $375,000,000;

(iii) Indebtedness of the Borrower to any other Group Member and of any Subsidiary of the Borrower to any other Group Member; provided that (A) such Indebtedness shall be evidenced by the Global Intercompany Note, and, if owing to a Loan Party, shall be subject to a Lien pursuant to the Security Agreement, (B) such Indebtedness shall be unsecured and, if owed by a Loan Party, subordinated in right of payment to the payment in full of the Obligations pursuant to the terms of the Global Intercompany Note, (C) any payment by any Guarantor under the Guarantee of the Obligations shall result in a pro tanto reduction of the amount of any Indebtedness owing by such Guarantor to the Borrower or any other Subsidiary for whose benefit

such payment is made and (D) Indebtedness of Group Members which are not Loan Parties to Group Members which are Loan Parties must also be expressly permitted by Section 6.06(c) or (p);

(iv) Indebtedness outstanding on the date hereof and listed on Schedule 6.01(a) and, other than with respect to the Senior Notes, any refinancings, refundings, renewals, replacement, waivers, amendments, amendments and restatements or extensions thereof (without increasing, or shortening the maturity of, the principal amount thereof);

(v) Indebtedness (including, without limitation, Capital Lease Obligations) secured by Liens expressly permitted by Section 6.02(f) in an aggregate principal amount (including any Indebtedness that is permitted by Section 6.01(a)(iv) that constitutes Indebtedness of a type permitted by this Section 6.01(a)(v)) not to exceed $75,000,000 at any time outstanding;

(vi) Guarantees expressly permitted by Section 6.01(b);

(vii) Indebtedness arising from the endorsement of instruments, the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn in the ordinary course of business against insufficient funds, or in respect of netting services, overdraft protections or otherwise in connection with the operation of customary deposit accounts in the ordinary course of business;

(viii) Indebtedness arising from agreements providing for indemnification or similar obligations in each case incurred in connection with an acquisition or other Investment expressly permitted by Section 6.06 or any disposition expressly permitted by Section 6.04;

(ix) Indebtedness in the form of customary obligations under indemnification, incentive, non-compete, consulting, deferred compensation, earn-out (based on the income of the assets acquired after the acquisition thereof) or other customary similar arrangements otherwise permitted hereunder;

(x) Indebtedness resulting from judgments not resulting in an Event of Default under paragraph (k) of Article VII;

(xi) Indebtedness resulting from unfunded pension fund and other employee benefit plan obligations and liabilities to the extent that they are permitted to remain unfunded under applicable law;

(xii) Indebtedness resulting from Swap Agreements permitted hereunder;

(xiii) (I) Indebtedness incurred by the Loan Parties that is unsecured so long as, prior to and immediately after giving effect to the incurrence of such Indebtedness on a pro forma basis, (A) the Fixed Charge Coverage Ratio shall be at least 1.20 to 1.0 as of the end of the most recent fiscal month for which financial statements have been delivered, (B) no Default or Event of Default shall have occurred and be continuing and (C) the aggregate amount of all unsecured Indebtedness (other than Permitted Subordinated Debt) incurred under this clause (xiii) shall not exceed $300,000,000 at any time outstanding, and, (II) without limiting any of the forgoing, any refinancings,

refundings, renewals, replacement, waivers, amendments, amendments and restatements or extensions thereof (without increasing, or shortening the maturity or weighted average life of, the principal amount thereof), provided that (x) after giving effect to any such refinancings, refundings, renewals, replacement, waivers, amendments, amendments and restatements or extensions of Permitted Subordinated Debt, the resulting Indebtedness shall constitute Permitted Subordinated Debt and (y) Indebtedness incurred in reliance on (II) shall be unsecured obligations of the Loan Parties and subject to the limitations of clause (C) above; provided further that, prior to a Permitted Change of Control Transaction, Indebtedness incurred in reliance on this Section 6.01(a)(xiii) cannot be Indebtedness owed to Griffon or any of its Subsidiaries other than Permitted Subordinated Debt owed to Griffon in an aggregate principal amount not exceeding $50,000,000;

(xiv) unsecured or secured Indebtedness of Subsidiaries that are not Loan Parties in an aggregate amount (including any Indebtedness that is permitted by Section 6.01(a)(iv) that constitutes Indebtedness of a type permitted by this Section 6.01(a)(xiv)) not to exceed $50,000,000 at any time outstanding;

(xv) any Indebtedness arising as a result of sale and leaseback transactions specified on Schedule 6.15;

(xvi) any Indebtedness of any Person that becomes a Subsidiary (including in connection with an acquisition explicitly permitted by Section 6.06 but excluding the Acquisition) after the date hereof or Indebtedness of any Person that is assumed by any Subsidiary in connection with an acquisition of assets by such Subsidiary; provided that (A) such Indebtedness exists at the time such Person becomes a Subsidiary or such assets are acquired and is not created in contemplation of or in connection with such Person becoming a Subsidiary or such acquisition, as the case may be, (B) any extensions, renewals and replacements of such Indebtedness shall not increase the original outstanding principal amount thereof, (C) the aggregate principal amount of all such Indebtedness shall not exceed $100,000,000 at any time outstanding and (D) no Group Member (other than such Person that becomes a Subsidiary or the Subsidiary that so assumes such Person's Indebtedness) shall Guarantee or otherwise become liable for the payment of such Indebtedness;

(xvii) Indebtedness of any Subsidiaries of Holdings organized under the laws of Canada pursuant to an asset based lending facility; provided that the sum of (a) the aggregate principal amount of Indebtedness incurred pursuant to this Section 6.01(a)(xvii) and (b) the aggregate outstanding Canadian Commitments shall not exceed $20,000,000 at any time outstanding; and

(xviii) in addition to Indebtedness otherwise expressly permitted by this Section, Indebtedness of the Group Members in an aggregate principal amount not to exceed $30,000,000 at any time outstanding.

Notwithstanding anything to the contrary, none of the Indebtedness incurred in reliance on this Section 6.01(a) may be Indebtedness owed to Griffon or any of its Subsidiaries (other than Group Members), except for Permitted Subordinated Debt in an aggregate principal amount not exceeding $50,000,000 permitted under Section 6.01(a)(xiii). For purposes of determining compliance with this Section 6.01, the Dollar Equivalent of the aggregate amount of any Indebtedness denominated in an Alternative Currency as of the date such Indebtedness is incurred shall be deemed to be the aggregate amount of

such Indebtedness, and any fluctuation in the applicable Exchange Rate thereafter shall not affect compliance with this Section 6.01; provided that if any such Indebtedness is refinanced then, to the extent such refinancing is denominated in the same Alternative Currency and in the same principal amount and incurred by the same borrower, the Dollar Equivalent of such refinanced Indebtedness shall be determined using the applicable Exchange Rate as of the date such Indebtedness so refinanced was incurred.

(b) The Borrower will not, and will not permit any of its Subsidiaries to, assume, endorse, be or become liable for, or Guarantee, the obligations of any other Person (except by the endorsement of negotiable instruments for deposit or collection in the ordinary course of business), except for:

(i) Guarantees existing on the date hereof and set forth on Schedule 6.01(b);

(ii) Guarantees by any Group Member of obligations of any Loan Party (including, without limitation, all Indebtedness of a Loan Party expressly permitted under Section 6.01(a));

(iii) Guarantees by any Subsidiary that is not a Loan Party of obligations incurred pursuant to Section 6.01(a)(xiv);

(iv) Indebtedness consisting of Guarantees of loans made to officers, directors or employees of any Group Member in an aggregate amount which shall not exceed $4,000,000 at any time outstanding; and

(v) in addition to Guarantees otherwise expressly permitted by this Section, Guarantees of the Group Members; provided that the aggregate amount of obligations subject to such Guarantees shall not exceed $30,000,000 at any time.

Notwithstanding the foregoing, any Guarantees made by any Loan Party or any Subsidiaries off any Loan Party in reliance on Section 6.01(b)(iv) or (v) must also be expressly permitted by Section 6.06(c) or (p).

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

(a) Liens created pursuant to the Loan Documents;

(b) Permitted Encumbrances;

(c) Liens pursuant to any Term Loan Document, including any Liens on any deposit account established for the sole purpose of depositing the net cash proceeds of any Loan Party with respect to any asset sale, incurrence of Indebtedness or casualty event pending the application of such proceeds to the prepayment of loans under the Term Loan Documents in accordance with the mandatory prepayment provisions thereof; provided that such Liens shall at all times be subject to the Intercreditor Agreement;

(d) any Lien on any property or asset of any Group Member existing on the date hereof and set forth on Schedule 6.02 (excluding, however, following the making of the initial Loans hereunder as of the Effective Date, Liens securing Indebtedness and other obligations under the Existing Debt Agreements); provided that (i) no such Lien shall extend to any other property or asset of any Group Member and (ii) any such Lien shall secure only those obligations which it secures on the date hereof and extensions, renewals, replacements and combinations thereof that do not increase the outstanding principal amount thereof or commitment therefor, in each case, as in effect on the date hereof;

(e) any Lien existing on any property or asset (other than Accounts and Inventory) prior to the acquisition thereof by any Group Member or existing on any property or asset (other than Accounts and Inventory) of any Person that becomes a Subsidiary after the date hereof prior to the time such Person becomes a Subsidiary (including in connection with an acquisition explicitly permitted by Section 6.04 but excluding the Acquisition); provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary, as the case may be, (ii) such Lien shall not apply to any other property or assets of any Group Member and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Subsidiary, as the case may be and extensions, renewals and replacements thereof that do not increase the original outstanding principal amount thereof;

(f) Liens on fixed or capital assets acquired, constructed or improved by any Group Member (including any Liens permitted by paragraph (d) above that are of a type permitted by this clause (f)); provided that (i) such security interests secure Indebtedness expressly permitted by Section 6.01 incurred to finance such acquisition, construction or improvement, (ii) such security interests and the Indebtedness secured thereby are incurred prior to or within six months after such acquisition or the completion of such construction or improvement, (iii) the Indebtedness secured thereby does not exceed 100% of the cost of acquiring, constructing or improving such fixed or capital assets and (iv) such security interests shall not apply to any other property or assets of any Group Member;

(g) Liens of a collecting bank arising in the ordinary course of business under Section 4-208 of the UCC in effect in the relevant jurisdiction covering only the items being collected upon;

(h) Liens granted by a Subsidiary that is not a Loan Party in favor of the Borrower or another Loan Party in respect of Indebtedness owed by such Subsidiary;

(i) Liens granted by any Subsidiary that is not a Loan Party on its assets to secure (i) its Indebtedness (other than Guarantees) or (ii) the Indebtedness of any other Subsidiary organized under the same jurisdiction (provided that no Subsidiary may Guarantee Indebtedness under this clause (ii) of Persons organized under a different jurisdiction), in each case incurred pursuant to Section 6.01(a)(xiv);

(j) any interest or title of a lessor under any lease entered into by the Borrower or any of its Subsidiaries in the ordinary course of its business and covering only the assets so leased, and any financing statement filed in connection with any such lease;

(k) Liens held by third parties on consigned goods incurred in the ordinary course of business;

(l) bankers' liens and rights to setoff with respect to deposit accounts, in each case, incurred in the ordinary course of business;

(m) Liens on insurance policies and the proceeds thereof securing the financing of the insurance premiums with the providers of such insurance or their Affiliates in respect thereof;

(n) Liens on any assets that are the subject of an agreement for a disposition thereof expressly permitted under Section 6.04 that arise due to the existence of such agreement;

(o) Liens on assets subject to the sale and leaseback transactions specified on Schedule 6.15;

(p) Liens securing Indebtedness permitted by Section 6.01(a)(xvii); provided that such Liens only apply to assets of Subsidiaries of Holdings organized under the laws of Canada that are obligors in respect of such Indebtedness; and

(q) additional Liens not otherwise expressly permitted by this Section on any property or asset of any Group Member securing obligations in an aggregate amount not exceeding $22,500,000 at any time outstanding.

Notwithstanding the foregoing, none of the Liens permitted pursuant to this Section 6.02 may at any time attach to any Loan Party's (1) Accounts, other than those permitted under clause (a) and (e) of the definition of Permitted Encumbrance and clause (a) above and (2) Inventory, other than those permitted under clauses (a), (b) and (e) of the definition of Permitted Encumbrance and clause (a) above.

Section 6.03. Mergers, Consolidations, Etc. No Loan Party will, nor will it permit any of its Subsidiaries to, enter into any transaction of merger or consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), except that (i) any Subsidiary of the Borrower may be merged or consolidated with or into the Borrower (provided that the Borrower shall be the continuing or surviving corporation) or with or into any Subsidiary which is a Loan Party (provided that a Loan Party shall be the continuing or surviving corporation), (ii) any other Subsidiary of the Borrower which is not a Loan Party may be merged or consolidated with or into any other Subsidiary of the Borrower which is not a Loan Party, and (iii) any Loan Party may make Permitted Acquisitions in compliance with Section 6.06(e).

Section 6.04. Dispositions. No Loan Party will, nor will it permit any of its Subsidiaries to, convey, sell, lease, transfer or otherwise dispose of, in one transaction or a series of transactions, any part of its business or property, whether now owned or hereafter acquired (including receivables and leasehold interests) (it being understood that the foregoing does not include the issuance by any issuer of Equity Interests), except:

(a) obsolete or worn out property, tools or equipment no longer used or useful in its business;

(b) any inventory or other property sold or disposed of in the ordinary course of business and for fair consideration;

(c) any Subsidiary of the Borrower may sell, lease, transfer or otherwise dispose of any or all of its property (upon voluntary liquidation or otherwise) to any Group Member

(provided that, in the case of any such transfer by a Subsidiary that is a Loan Party, the transferee must also be a Loan Party);

(d) any Equity Interests of any Subsidiary of the Borrower may be sold, transferred or otherwise disposed of to the Borrower or any other Subsidiary of the Borrower (provided that, in the case of any such transfer by a Loan Party, the transferee must also be a Loan Party);

(e) any Group Member may sell, lease, transfer or otherwise dispose of (i) its property and assets the fair market value of which does not exceed, together with the aggregate fair market value of all other such dispositions by Group Members consummated after the Effective Date in reliance on this Section 6.04(e), $250,000,000; provided that (i) any disposition of Equity Interests of any Subsidiary of the Borrower must include all Equity Interests of and other Investments in such Subsidiary owned by the Group Members and (ii) prior to and after giving effect to the consummation of such disposition, no Default or Event of Default shall have occurred and be continuing;

(f) the cross-licensing or licensing of intellectual property, in the ordinary course of business;

(g) the dispositions expressly permitted by Section 6.03;

(h) the leasing, occupancy or sub-leasing of real property in the ordinary course of business that would not materially interfere with the required use of such real property by any Group Member;

(i) the sale or discount, in the ordinary course of business, of overdue or otherwise ineligible accounts receivable arising in the ordinary course of business, in connection with the compromise or collection thereof;

(j) transfers of condemned property as a result of the exercise of "eminent domain" or other similar policies to the respective Governmental Authority or agency that has condemned the same (whether by deed in lieu of condemnation or otherwise), and transfers of properties that have been subject to a casualty to the respective insurer of such property as part of an insurance settlement;

(k) Liens expressly permitted by Section 6.02;

(l) Restricted Payments expressly permitted by Section 6.07; and

(m) sales necessary to effect sale and leaseback transactions specified on Schedule 6.15;

provided that all sales, transfers, leases and other dispositions permitted hereby (other than those permitted by paragraphs (a), (c), (d), (f), (g), (i), (j), (k) and (l) above) shall be made for fair value and for at least 75% cash consideration.

Section 6.05. Lines of Business. No Loan Party will, nor will it permit any of its Subsidiaries to, engage to any material extent in any business other than businesses of the type conducted by the Group Members on the Effective Date (after giving effect to the Acquisition) and businesses reasonably related thereto.

Section 6.06. Investments and Acquisitions. No Loan Party will, nor will it permit any of its Subsidiaries to, make or suffer to exist any Investment in any Person or purchase or otherwise acquire (in one transaction or a series of transactions) any assets of any other Person constituting a business unit, except:

(a) Permitted Investments, subject to Control Agreements in favor of the Administrative Agent for the benefit of the Secured Parties or otherwise subject to a perfected security interest in favor of the Administrative Agent for the benefit of the Secured Parties to the extent required under the Loan Documents;

(b) Investments (other than Investments expressly permitted under paragraph (a) of this Section) existing on the date hereof and set forth on Schedule 6.06;

(c) Investments by (i) the Borrower in any Subsidiary which is a Loan Party or by any Subsidiary of the Borrower in any Subsidiary which is a Loan Party or in the Borrower; (ii) Holdings in the Borrower, (iii) any Subsidiary that is not a Loan Party in any Subsidiary that is not a Loan Party and (iv) any Loan Party (other than Holdings) in a Subsidiary that is not a Loan Party not exceeding $10,000,000 in the aggregate for all Investments by Loan Parties in Subsidiaries that are not Loan Parties;

(d) the Acquisition;

(e) any Permitted Acquisition if, prior to and after giving pro forma effect thereto, (i) no Default or Event of Default shall have occurred and be continuing, (ii) the Fixed Charge Coverage Ratio shall be at least 1.20 to 1.0 as of the end of the most recent fiscal month for which financial statements have been delivered and (iii) Availability shall be at least 25% of the Revolving Commitments; provided that (x) the Acquisition Consideration (excluding consideration consisting of (1) Equity Interests (other than Disqualified Equity Interests of Holdings) in Griffon, or, after a Permitted Change of Control Transaction, Holdings) and (2) a direct or indirect cash equity contribution from Griffon to Holdings for the purpose of funding (in whole or in part) such Permitted Acquisition) for such Permitted Acquisition (or a series of related Permitted Acquisitions) does not exceed $100,000,000, (y) the aggregate Acquisition Consideration (excluding consideration consisting of (1) Equity Interests (other than Disqualified Equity Interests of Holdings) in Griffon, or, after a Permitted Change of Control Transaction, Holdings and (2) a direct or indirect cash equity contribution from Griffon to Holdings for the purpose of funding (in whole or in part) such Permitted Acquisition) for all Permitted Acquisitions consummated after the Effective Date in reliance on this Section 6.06(e) does not exceed $300,000,000 and (z) the aggregate Acquisition Consideration (excluding consideration consisting of Equity Interests (other than Disqualified Equity Interests) in Griffon, or, after a Permitted Change of Control Transaction, Holdings) that is attributable to Investments in such Persons that are not wholly-owned Domestic Subsidiaries that become Guarantors at the time of such Permitted Acquisition may not exceed $50,000,000 in the aggregate since the Effective Date, except to the extent such Investments are treated, at the time of such Permitted Acquisition, as Investments in such Person pursuant to Section 6.06 and such Investments are permitted to be made thereunder (other than pursuant to this clause (e) and Section 6.06(l)) at such time;

(f) purchases of inventory and other property to be sold or used in the ordinary course of business;

(g) any Restricted Payments expressly permitted by Section 6.07;

(h) extensions of trade credit in the ordinary course of business;

(i) Investments arising in connection with the incurrence of Indebtedness expressly permitted by Section 6.01(a);

(j) Investments (including debt obligations) received in the ordinary course of business by any Group Member in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, customers and suppliers arising out of the ordinary course of business;

(k) Investments of any Group Member under Swap Agreements expressly permitted hereunder;

(l) Investments of any Person in existence at the time such Person becomes a Subsidiary pursuant to a transaction expressly permitted by any other paragraph of this Section (other than the Acquisition); provided that such Investment was not made in connection with or anticipation of such Person becoming a Subsidiary;

(m) Investments resulting from pledges and deposits referred to in paragraphs (c) and (d) of the definition of "Permitted Encumbrances";

(n) the forgiveness or conversion to equity of any Indebtedness expressly permitted by Section 6.01(a)(ii) subject to the limitations of Section 6.06(c);

(o) negotiable instruments and deposits held in the ordinary course of business; and

(p) in addition to Investments otherwise expressly permitted by this Section, Investments not exceeding in the aggregate $25,000,000.

Section 6.07. Restricted Payments. (a) No Loan Party will, nor will it permit any of its Subsidiaries to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, except:

(i) each of Holdings and the Borrower may declare and pay dividends with respect to its common stock payable solely in additional shares of its common stock;

(ii) the Borrower may declare and pay to Holdings (including, without limitation, for distribution, prior to a Permitted Change of Control Transaction, to the Parent and ultimately to Griffon) (x) dividends, or make other payments, to pay the Borrower's allocated share of overhead and expenses (other than interest expense) (provided that any expenses related to or resulting from the accelerated vesting of any equity-based compensation program, time-vested management incentive program or management bonus program of Griffon, Holdings or its Affiliates in connection with a Permitted Change of Control Transaction (such expenses, "Acceleration Expenses") paid by the Borrower to Holdings shall not exceed $20,000,000 in the aggregate) incurred by Holdings in accordance with the exercise of the reasonable business judgment of Holdings, so long as such amounts are used for such purposes within 60 days after such amounts are paid; provided that the payments made pursuant to this Section 6.07(a)(ii)(x) shall be limited to (A) payments by the Borrower to pay its allocated share of (I) audit and accounting fees and expenses, including costs of internal audit, paid or payable to any third-party provider (other than Holdings, Parent, Griffon

or any of their respective affiliates); (II) insurance premiums, fees and expenses, including brokerage and other related fees and expenses, paid or payable to any third-party provider (other than Holdings, Parent, Griffon or any of their respective affiliates) and amounts paid or payable in connection with the settlement of any insurance claim to any third party (other than Holdings, Parent, Griffon or any of their respective affiliates); (III) environmental fees and expenses paid or payable to any third-party provider (other than Holdings, Parent, Griffon or any of their respective affiliates); (IV) administration, consulting and other fees and expenses paid or payable to any third-party provider (other than Holdings, Parent, Griffon or any of their respective affiliates) relating to welfare benefits, plans and arrangements, and relating to Griffon's 401(k) plan; and (V) legal, professional and consulting fees and expenses paid or payable to any third-party provider (other than Holdings, Parent, Griffon or any of their respective affiliates) (it being understood that payments by the Borrower to pay its allocated share of the items listed in the foregoing clauses (I) through (V), other than with respect to Acceleration Expenses, shall be permitted under this Section 6.07(a)(ii)(x) regardless of amount) and (B) other payments not exceeding $7,500,000 in any fiscal year of Holdings and its Subsidiaries, (y) dividends or other payments that are used to reimburse Griffon for the fair market value, as reasonably determined by the Borrower in good faith, of any grants made to employees of any Group Member pursuant to an equity-based compensation program, time-vested management incentive program or management bonus program of Griffon, Holdings or its Affiliates; provided that any such payments made pursuant to this Section 6.07(a)(ii)(y) shall not exceed $5,000,000 in any fiscal year of Holdings and (z) payments to Griffon, Parent or their respective Affiliates of management fees pursuant to and to the extent expressly contemplated by the Management Agreement as in effect as of the Closing Date, so long as prior to and immediately after giving effect to any such payments, no Default shall have occurred and be continuing; provided that payments made pursuant to this Section 6.07(a)(ii)(z) in any fiscal year of Holdings and its Subsidiaries shall not exceed the greater of (i) $250,000 and (ii) 7.50% of pre-tax consolidated net income for such fiscal year (which, for purposes of this Section 6.07(a)(ii)(z) shall be calculated, for any fiscal year of Holdings and its Subsidiaries, as the net income of the Group Members for such fiscal year plus foreign, Federal, state and local income taxes deducted in determining net income for such fiscal year); provided that any such payments made pursuant to this Section 6.07(a)(ii) must be deducted (to the extent not already so deducted) from the Net Income of Holdings and its Subsidiaries;

(iii) the Borrower may declare and pay dividends, distributions or otherwise make payments with respect to its Equity Interests to any Person of which the Borrower is a direct or indirect Subsidiary and with whom the Borrower files a consolidated, combined, unitary or affiliated income tax return at such time ("Consolidated Return") and in such amounts as shall be required by such Person to pay the tax liability in respect of such return to the extent such liability is directly attributable to the income of the Borrower and any Subsidiaries (the "Borrower Consolidated Group") that file with such Person a Consolidated Return; provided that the total amount of any dividends, distributions or payments made pursuant to this clause for any taxable period shall not exceed the amount that the Borrower Consolidated Group would be required to pay in respect of Federal, state and local income Taxes for such period, determined taking into account any available net operating loss carryovers or other tax attributes of the Borrower Consolidated Group as if the Borrower Consolidated Group filed a separate Consolidated Return, less the amount of any such Taxes paid directly by the Borrower Consolidated Group;

(iv) the Loan Parties may make payments of regularly scheduled interest and principal payments as and when due in respect of any Permitted Subordinated Debt permitted by Section 6.01(a)(xiii) owing to Griffon or its Subsidiaries (other than Group Members); and

(v) the Borrower may declare and pay to Holdings (for distribution, prior to a Permitted Change of Control Transaction, to the Parent and ultimately to Griffon, if applicable) dividends, or make other payments, not otherwise permitted hereunder in any fiscal year so long as, after giving pro forma effect to such payment, (i) no Default or Event of Default shall have occurred and be continuing, and (ii) Availability shall be at least 25% of the Revolving Commitment for each of the most recent 30 days (or, if less, the number of days elapsed since the Effective Date) and, after giving effect thereto;

provided that nothing herein shall be deemed to prohibit the payment of dividends by any Subsidiary of the Borrower to the Borrower, any other Subsidiary of the Borrower or, if applicable, any minority shareholder of such Subsidiary (in accordance with the percentage of the Equity Interests of such Subsidiary owned by such minority shareholder); provided further than no Restricted Payments may be made to Griffon, the Parent or their respective Affiliates (other than Holdings and its Subsidiaries) following a Permitted Change of Control Transaction.

(b) No Loan Party will, nor will it permit any Subsidiary to, make or agree to pay or make, directly or indirectly, any payment or other distribution (whether in cash, securities or other property) of or in respect of principal of or interest on any Indebtedness, or any payment or other distribution (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Indebtedness, except:

(i) payment of Indebtedness created under the Loan Documents or payments on Indebtedness owed by a Subsidiary of a Loan Party to a Loan Party or by a Loan Party to any other Loan Party;

(ii) (A) mandatory prepayment of Indebtedness under the Term Loan Credit Agreement under Section 2.11 of the Term Loan Credit Agreement (as in effect on the date hereof); provided that the Loan Parties have complied with the requirements of Section 2.11(c) and (B) so long as immediately before and immediately after giving pro forma effect thereto (i) no Default or Event of Default shall have occurred and be continuing, (ii) the Fixed Charge Coverage Ratio shall be at least 1.20 to 1.0 as of the end of the most recent fiscal month for which financial statements have been delivered, and (iii) Availability shall be not less than $25,000,000 for each of the most recent 30 days (or, if less, the number of days elapsed since the Effective Date) and after giving effect thereto, optional prepayments of Indebtedness under the Term Loan Documents (including, without limitation, repurchases under Section 2.10(c) of the Term Loan Credit Agreement);

(iii) payments in respect of any Swap Agreement permitted under this Agreement and payment of regularly scheduled interest and principal payments as and when due in respect of any Indebtedness, other than payments in respect of the Subordinated Indebtedness prohibited by the subordination provisions thereof, provided that principal payments (including, without limitation, any payment due at maturity or any partial or full repayment upon demand or otherwise) in respect of Indebtedness

owed to Griffon or any subsidiary of Griffon that is not a Group Member shall only be permitted so long as, after giving pro forma effect to such payment, (A) no Default or Event of Default shall have occurred and be continuing and (B) Availability shall be at least 25% of the Revolving Commitments for each of the most recent 30 days (or, if less, the number of days elapsed since the Effective Date) and, after giving effect thereto;

(iv) refinancings of Indebtedness to the extent expressly permitted by Section 6.01; and

(v) payment of secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness.

Section 6.08. Transactions with Affiliates. No Loan Party will, nor will it permit any of its Subsidiaries to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except:

(a) transactions in the ordinary course of business at prices and on terms and conditions not less favorable to such Group Member than could be obtained on an arm's length basis from a Person that is not an Affiliate;

(b) transactions (i) between or among the Borrower and its wholly-owned Subsidiaries that are Loan Parties and not involving any other Affiliate or (ii) between or among wholly-owned Foreign Subsidiaries and not involving any other Affiliate;

(c) any Investments expressly permitted by Section 6.06; provided that this Section 6.08(c) (i) shall not permit Investments in Equity Interests of Griffon or any of its Subsidiaries (other than Group Members) and (ii) any loans, advances or other Investments made by any Group Member to Griffon or any of its Subsidiaries (other than Group Members) shall be made at prices and on terms and conditions not less favorable to such Group Member than could be obtained on an arm's-length basis from a Person that is not an Affiliate;

(d) any Restricted Payment expressly permitted by Section 6.07; and

(e) any Affiliate who is a natural person may serve as an employee or director of any Loan Party and receive reasonable compensation for his services in such capacity.

Section 6.09. Restrictive Agreements. No Loan Party will, nor will it permit any of its Subsidiaries to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (i) the ability of any Group Member to create, incur or permit to exist any Lien upon any of its property or assets, or (ii) the ability of any Subsidiary to pay dividends or other distributions with respect to any shares of its Equity Interests or to make or repay loans or advances to any Group Member or to Guarantee Indebtedness of any Group Member, except:

(a) restrictions and conditions imposed by (i) law, (ii) this Agreement, (iii) the Term Loan Credit Agreement or (iv) any other Term Loan Document, provided that the restrictions and conditions contained in any such other Term Loan Document are not less favorable to the Lenders than the restrictions and conditions imposed by the Term Loan Credit Agreement;

(b) restrictions and conditions existing on the date hereof identified on Schedule 6.09 (but shall apply to any extension or renewal of, or any amendment or modification expanding the scope of, any such restriction or condition);

(c) customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale, provided that such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder;

(d) (solely with respect to clause (i) above) (i) restrictions or conditions imposed by any agreement (other than any Term Loan Document) relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness and (ii) customary provisions in leases and other contracts restricting the assignment thereof; and

(e) (solely with respect to clause (ii) above) (i) restrictions or conditions imposed by any agreement relating to secured Indebtedness of any Foreign Subsidiary permitted by this Agreement if such restrictions or conditions apply only to the applicable Foreign Subsidiary securing such Indebtedness and (ii) customary provisions in leases and other contracts restricting the assignment thereof.

Section 6.10. Swap Agreements. No Loan Party will, nor will it permit any of its Subsidiaries to, enter into any Swap Agreement, other than Swap Agreements entered into (a) pursuant to Section 5.16 or any Term Loan Document or (b) in the ordinary course of business to hedge or mitigate risks to which any Group Member is exposed in the conduct of its business or the management of its liabilities.

Section 6.11. Fixed Charge Coverage Ratio. In the event that Availability is at any time less than (a) 12.5% of the lesser of (i) the Borrowing Base and (ii) Revolving Commitments or (b) $15,625,000, the Borrower will not permit the Fixed Charge Coverage Ratio for the most-recently ended twelve fiscal months of the Borrower as of the end of the most recent fiscal month for which financial statements have been delivered and each fiscal month thereafter to be less than 1.0 to 1.0, provided that this covenant shall cease to apply (until any subsequent time, if any, at which Availability is less than (a) or (b) above, as so determined) if Availability exceeds the greater of (i) 17.5% of the Revolving Commitments and (ii) $18,750,000 for 90 consecutive calendar days.

Section 6.12. Stock Issuance. No Loan Party will, nor will it permit any of its Subsidiaries to, issue any additional shares, or any right or option to acquire any shares or any security convertible into any shares, of the Equity Interests of any Subsidiary, except (a) the Equity Interests of any Subsidiary, in connection with dividends in Equity Interests expressly permitted by Section 6.07, (b) the Equity Interests of any Subsidiary to the Borrower or any of its Subsidiaries, (c) the Equity Interests of Holdings (other than Disqualified Equity Interests) issued to Griffon or the Parent in consideration of the Equity Contribution, (d) (i) prior to a Permitted Change of Control Transaction, the Equity Interests (other than Disqualified Equity Interests) of Holdings to Griffon and its Subsidiaries (other than any Group Member) and (ii) after a Permitted Change of Control Transaction, the Equity Interests (other than Disqualified Equity Interests) of Holdings to any Person so long as no Default shall have occurred and be continuing; provided that no Equity Interests of a Loan Party shall be owned by a Subsidiary that is not a Loan Party.

Section 6.13. Modifications of Certain Documents. No Loan Party will, nor will it permit any of its Subsidiaries to, consent to any modification, amendment, supplement or waiver of any of the provisions of (a) its charter, by-laws or other organizational documents or any other agreement or

instrument to which any Group Member is a party or is bound, in each case that could reasonably be expected to have a Material Adverse Effect or (b) except as permitted by Section 6.01(a)(xiii)(II), any Permitted Subordinated Debt, in each case, without the prior consent of the Administrative Agent (with the approval of the Required Lenders) or (c) the Management Agreement.

Section 6.14. Passive Holding Company Status. Holdings will not (i) conduct, transact or otherwise engage in, or commit to conduct, transact or otherwise engage in, any business or operations other than those incidental to its ownership of the Equity Interests of the Borrower, (ii) incur, create, assume or suffer to exist any Indebtedness or other liabilities or financial obligations, except (x) nonconsensual obligations imposed by operation of law, (y) obligations pursuant to the Loan Documents or the Term Loan Documents to which it is a party and (z) obligations with respect to its Equity Interests, or (iii) own, lease, manage or otherwise operate any properties or assets (other than cash, cash equivalents or other than the ownership of shares of Equity Interests of the Borrower).

Section 6.15. Sale and Leaseback Transactions. No Loan Party will, nor will it permit any Subsidiary to, enter into any arrangement, directly or indirectly, whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred, except for any such sale of any fixed or capital assets by any Group Member that is made for cash consideration in an amount not less than the fair value of such fixed or capital asset and is consummated within 90 days after such Group Member acquires or completes the construction of such fixed or capital asset. Notwithstanding the foregoing, no transaction or arrangement shall be restricted under this Section 6.15 if, in connection with such transaction or arrangement, any Indebtedness or Lien incurred is permitted to be incurred under Section 6.01 and Section 6.02 and any sale or transfer is treated as a sale under Section 6.04(e) and permitted thereunder.

Section 6.16. Fiscal Year. Holdings shall not permit its fiscal year or the fiscal year of any of its Subsidiaries to end on a day other than on (or, in the case of certain Subsidiaries, about) September 30.

ARTICLE VII

EVENTS OF DEFAULT

If any of the following events ("Events of Default") shall occur:

(a) the Borrower shall fail to pay any principal of any Loan when and as the same shall become due and payable in accordance with the terms hereof, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) the Borrower shall fail to pay any reimbursement obligation in respect of any LC Disbursement or any interest on any Loan or any fee or any other amount (other than an amount referred to in paragraph (a) of this Article) payable under this Agreement or under any other Loan Document, when and as the same shall become due and payable in accordance with the terms hereof, and such failure shall continue unremedied for a period of five or more Business Days;

(c) any representation or warranty made or deemed made by or on behalf of any Loan Party in or in connection with this Agreement or any other Loan Document or any amendment or modification hereof or thereof, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement or any other Loan

Document or any amendment or modification hereof or thereof, shall prove to have been false or misleading when made or deemed made in any material respect;

(d) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in (i) Section 5.01(a) or Section 5.01(b) and such failure shall continue unremedied for a period of 15 or more days or (ii) Section 5.02 or Section 5.03 (with respect to a Loan Party's existence) or in Article VI or any Loan Party shall default in the performance of any of its obligations contained in Sections 4.1(d), (e) or (f), 4.7(a) or (b), 4.11 or 4.14 of the Security Agreement or Article VII of the Security Agreement;

(e) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in paragraph (a), (b) or (d) of this Article) or any other Loan Document and such failure shall continue unremedied for a period of 30 or more days after notice thereof from the Administrative Agent (given at the request of any Lender);

(f) any Group Member shall fail to make any payment (whether of principal or interest and regardless of amount and including any payment in settlement of a Swap Agreement) in respect of any Material Indebtedness, when and as the same shall become due and payable, and such failure shall continue unremedied beyond any applicable grace period;

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

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any Group Member (and, prior to a Permitted Change of Control Transaction, Griffon or the Parent) or its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Group Member (and, prior to a Permitted Change of Control Transaction, Griffon or the Parent) or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed or undischarged for a period of 60 or more days or an order or decree approving or ordering any of the foregoing shall be entered;

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

(j) any Group Member (and, prior to a Permitted Change of Control Transaction, Griffon or the Parent) shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(k) one or more judgments for the payment of money in an aggregate amount in excess of $15,000,000 shall be rendered against any Group Member or any combination thereof and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed or vacated or, in respect with such judgment, any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any Group Member to enforce any such judgment;

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

(m) a Change of Control shall occur;

(n) any material provision of any Loan Document for any reason ceases to be valid, binding and enforceable in accordance with its terms (or any Loan Party shall challenge the enforceability of any Loan Document or shall assert in writing, or engage in any action based on any such written assertion, that any provision of any of the Loan Documents has ceased to be or otherwise is not valid, binding and enforceable in accordance with its terms)

(o) the Guaranty contained in Article X shall for whatever reason cease to be in full force and effect or any Loan Party or any Affiliate of any Loan Party shall so assert; or

(p) the Liens created by the Collateral Documents shall at any time not constitute a valid and perfected Lien on the Collateral intended to be covered thereby (to the extent perfection by filing, registration, recordation or possession is required herein or therein), free and clear of all other Liens (other than Liens expressly permitted under Section 6.02 or under the Collateral Documents), or, except for expiration in accordance with its terms, any of the Collateral Documents shall for whatever reason be terminated or cease to be in full force and effect, or any Loan Party or any Affiliate of any Loan Party shall so assert, or the enforceability thereof shall be contested by any Loan Party or any Affiliate of any Loan Party;

then, and in every such event (other than any event described in paragraphs (h) or (i) of this Article), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; and in case of any event described in paragraph (h) or (i) of this Article, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

ARTICLE VIII

The Administrative Agent

Each of the Lenders and the Issuing Banks hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf, including execution of 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.

The bank serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Loan Parties or any Subsidiary of a Loan Party or other Affiliate thereof as if it were not the Administrative Agent hereunder.

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 has occurred and is continuing, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Loan Documents that the Administrative Agent is required to exercise in writing as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02), and (c) except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Loan Party or any of its Subsidiaries that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02) or in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or in connection with any Loan Document, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, (v) the creation, perfection or priority of Liens on the Collateral or the existence of the Collateral, or (vi) the satisfaction of any condition set forth in Article IV or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs 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 Administrative Agent.

Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders, the Issuing Banks and the Borrower. Upon any such resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Banks, appoint a successor Administrative Agent which shall be a commercial bank or an Affiliate of any such commercial bank. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the Administrative Agent's resignation hereunder, the provisions of this Article and Section 9.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Administrative Agent.

Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or related agreement or any document furnished hereunder or thereunder.

To the extent requested, the Administrative Agent shall promptly upon receipt thereof forward to each Lender a copy of each Report. Each Lender hereby agrees that (a) it has requested a copy of each Report prepared by or on behalf of the Administrative Agent; (b) the Administrative Agent (i) makes no representation or warranty, express or implied, as to the completeness or accuracy of any Report or any of the information contained therein or any inaccuracy or omission contained in or relating to a Report and (ii) shall not be liable for any information contained in any Report; (c) the Reports are not comprehensive audits or examinations, and that any Person performing any field examination will inspect only specific information regarding the Loan Parties and will rely significantly upon the Loan Parties' books and records, as well as on representations of the Loan Parties' personnel and that the Administrative Agent undertakes no obligation to update, correct or supplement the Reports; (d) it will keep all Reports confidential and strictly for its internal use, not share the Report with any Loan Party or any other Person except as otherwise permitted pursuant to this Agreement; and (e) without limiting the generality of any other indemnification provision contained in this Agreement, it will pay and protect, and indemnify, defend, and hold the Administrative Agent and any such other Person preparing a Report harmless from and against, the claims, actions, proceedings, damages, costs, expenses, and other

amounts (including reasonable attorney fees) incurred by as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender.

ARTICLE IX

Miscellaneous

Section 9.01. Notices. (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile, as follows:

(i) if to any Loan Party, to the Borrower at:

Clopay Ames True Temper Holding Corp.
8585 Duke Blvd.
Mason, Ohio 45040
Attention: Treasurer
Fax: 513-770-6544

with a copy, prior to a Permitted Change of Control Transaction, to:

Griffon Corporation
712 Fifth Avenue, 18th Floor
New York, New York 10019
Attention: Chief Financial Officer
Fax: 516-932-1169

(ii) if to the Administrative Agent, the Swingline Lender or JPMorgan, as Issuing Bank, to JPMorgan Chase Bank, N.A. at:

270 Park Avenue, 44th Floor
Mailcode: NY1-K855
New York, NY 10017
Attention: Donna DiForio
Fax: 646-534-2274

(iii) if to Bank of America, N.A., as Issuing Bank, to:

Bank of America, N.A.
225 Franklin Street — MA1-225-02-05
Boston, MA 02110
Attention: Christopher M. O'Halloran
Fax: 312-453-6319

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

All such notices and other communications (i) sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received or (ii) sent by facsimile

shall be deemed to have been given when sent, provided that if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient.

(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) pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower (on behalf of the Loan Parties) may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. All such notices and other communications (i) sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if 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) Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

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, 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 Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or any Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Subject to Section 2.09(h), 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 the Borrower and the Required Lenders or, (ii) in the case of any other Loan Document, pursuant to an agreement or agreements in writing entered into by the Administrative Agent and the Loan Party or Loan Parties that are parties thereto, with the consent of the Required Lenders; provided that no such agreement shall (i) (A) increase the Commitment of any Lender without the written consent of such Lender (provided that the Administrative Agent may make Protective Advances as set forth in Section 2.04) or (B) change Section 2.09(f) or otherwise increase the aggregate Revolving Commitments such that, in either case, the aggregate Revolving Commitments would exceed $150,000,000, without the written consent of each Lender (ii) reduce or forgive the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon, or reduce or forgive any interest, fees or other Obligations payable hereunder, without

the written consent of each Lender directly affected thereby, (iii) postpone any scheduled date of payment of the principal amount of any Loan or LC Disbursement, or any date for the payment of any interest, fees or other Obligations payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender directly affected thereby, (iv) amend Section 2.09(h)(iv) without the written consent of the Supermajority Lenders, (v) change Section 2.18(b) or (d) in a manner that would alter the manner in which payments are shared, without the written consent of each Lender, (vi) increase the advance rates set forth in the definition of Borrowing Base (or change the constituent definitional provisions thereof in a manner having the effect of increasing the advance rates) without the written consent of the Supermajority Lenders, (vii) add new categories of eligible assets or otherwise change the definition of the Borrowing Base or any eligibility criteria incorporated therein that, in each case, has the effect of increasing Availability, without the written consent of the Supermajority Lenders, (viii) change any of the provisions of this Section or the definition of "Required Lenders" or any other provision of any Loan Document specifying the number or percentage of Lenders (or Lenders of any Class) required to waive, amend or modify any rights thereunder or make any determination or grant any consent thereunder, without the written consent of each Lender, (ix) release any Guarantor from its obligation under its Guaranty (except as otherwise permitted herein or in the other Loan Documents), without the written consent of each Lender, (x) except as provided in clauses (c) and (d) of this Section or in any Collateral Document, release all or substantially all of the Collateral, without the written consent of each Lender or (xi) subordinate the Obligations to any other obligation without the written consent of each Lender; provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent, the Issuing Banks or the Swingline Lender hereunder without the prior written consent of the Administrative Agent, the Issuing Banks or the Swingline Lender, as the case may be. The Administrative Agent may also amend the Commitment Schedule to reflect assignments entered into pursuant to Section 9.04.

(c) The Lenders hereby irrevocably authorize the Administrative Agent, at its option and in its Permitted Discretion, to release any Liens granted to the Administrative Agent by the Loan Parties on any Collateral (i) upon the termination of all Commitments, payment and satisfaction in full of all Secured Obligations (other than Unliquidated Obligations), and the cash collateralization of all Unliquidated Obligations in a manner satisfactory to each affected Lender, (ii) constituting property being sold or disposed of if the Loan Party disposing of such property certifies to the Administrative Agent that the sale or disposition is made in compliance with the terms of this Agreement (and the Administrative Agent may rely conclusively on any such certificate, without further inquiry), (iii) constituting property leased to a Loan Party under a lease which has expired or been terminated in a transaction permitted under this Agreement, or (iv) as required to effect any sale or other disposition of such Collateral in connection with any exercise of remedies of the Administrative Agent and the Lenders pursuant to Article VII. Except as provided in the preceding sentence, the Administrative Agent will not release any Liens on Collateral without the prior written authorization of the Required Lenders; provided that, the Administrative Agent may in its Permitted Discretion, release its Liens on Collateral valued in the aggregate not in excess of $7,500,000 during any calendar year without the prior written authorization of the Required Lenders. Any such release shall not in any manner discharge, affect, or impair the Secured Obligations or any Liens (other than those expressly being released) upon (or obligations of the Loan Parties in respect of) all interests retained by the Loan Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral.

(d) If, in connection with any proposed amendment, waiver or consent requiring the consent of "each Lender" or "each Lender affected thereby," the consent of the Required Lenders is obtained, but the consent of other necessary Lenders is not obtained (any such Lender whose consent is necessary but not obtained being referred to herein as a "Non-Consenting Lender"), then the Borrower may elect to replace a Non-Consenting Lender as a Lender party to this Agreement, provided that,

concurrently with such replacement, (i) another bank or other entity which is reasonably satisfactory to the Borrower and the Administrative Agent shall agree, as of such date, to purchase for cash the Loans and other Obligations due to the Non-Consenting Lender pursuant to an Assignment and Assumption and to become a Lender for all purposes under this Agreement and to assume all obligations of the Non-Consenting Lender to be terminated as of such date and to comply with the requirements of clause (b) of Section 9.04, and (ii) the Borrower shall pay to such Non-Consenting Lender in same day funds on the day of such replacement (1) all interest, fees and other amounts then accrued but unpaid to such Non-Consenting Lender by the Borrower hereunder to and including the date of termination, including without limitation payments due to such Non-Consenting Lender under Section 2.14 and Section 2.16, and (2) an amount, if any, equal to the payment which would have been due to such Lender on the day of such replacement under Section 2.16 had the Loans of such Non-Consenting Lender been prepaid on such date rather than sold to the replacement Lender. Any such replaced Non-Consenting Lender shall not be responsible for any assignment fee.

Section 9.03. Expenses; Indemnity; Damage Waiver. (a) The Borrower shall pay (i) all reasonable documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of one counsel for the Administrative Agent and, if necessary, one local counsel in any applicable jurisdiction, in connection with the syndication and distribution (including, without limitation, via the internet or through a service such as Intralinks) of the credit facilities provided for herein, the preparation and administration of the Loan Documents or any amendments, modifications or waivers of the provisions of the Loan Documents (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable documented out-of-pocket expenses incurred by the Issuing Banks in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all out-of-pocket expenses incurred by the Administrative Agent, the Issuing Banks or any Lender, including the reasonable fees, charges and disbursements of any counsel for the Administrative Agent, the Issuing Banks or any Lender, in connection with the enforcement, collection or protection of its rights in connection with the Loan Documents, including its rights under this Section, or in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit, it being agreed that the Borrower shall not be responsible for the fees and expenses of more than one counsel for both the Administrative Agent and the Lenders and, if necessary, one local counsel in any applicable jurisdiction (and, in the case of a conflict of interest, one additional counsel per group of similarly affected parties and one additional local counsel in any applicable jurisdiction, if reasonably necessary). Expenses being reimbursed by the Borrower under this Section include, without limiting the generality of the foregoing, costs and expenses incurred in connection with:

(i) appraisals and insurance reviews;

(ii) field examinations and the preparation of Reports based on the fees charged by a third party retained by the Administrative Agent or the internally allocated fees for each Person employed by the Administrative Agent with respect to each field examination;

(iii) taxes, fees and other charges for (A) lien and title searches and title insurance and (B) recording the Mortgages, filing financing statements and continuations, and other actions to perfect, protect, and continue the Administrative Agent’s Liens;

(iv) sums paid or incurred to take any action required of any Loan Party under the Loan Documents that such Loan Party fails to pay or take; and

(v) forwarding loan proceeds, collecting checks and other items of payment, and establishing and maintaining the accounts and lock boxes, and costs and expenses of preserving and protecting the Collateral.

(vi) All of the foregoing costs and expenses may be charged to the Borrower as Revolving Loans or to another deposit account, all as described in Section 2.18(c).

(b) The Borrower shall indemnify the Administrative Agent, each Issuing Bank and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, penalties, liabilities and related expenses, including the fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of the 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, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by any Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by any Group Member, or any Environmental Liability related in any way to any Group Member, 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; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, penalties, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent, any Issuing Bank or the Swingline Lender under paragraph (a) or (b) of this Section, each Lender severally agrees to pay to the Administrative Agent, such Issuing Bank or the Swingline Lender, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, penalty, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent, such Issuing Bank or the Swingline Lender in its capacity as such.

(d) To the extent permitted by applicable law, no Loan Party shall assert, and each hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof.

(e) All amounts due under this Section shall be payable promptly after written demand therefor.

Section 9.04. 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 assigns permitted hereby (including any Affiliate of an Issuing Bank that issues any Letter of Credit), except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights

or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of an Issuing Bank that issues any Letter of Credit), Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Banks and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

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

(A) the Borrower, provided that no consent of the Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, any other assignee;

(B) the Administrative Agent, provided that no consent of the Administrative Agent shall be required for an assignment to a Lender, an Affiliate of a Lender or an Approved Fund; and

(C) the Issuing Banks.

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

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than $1,000,000 unless each of the Borrower and the Administrative Agent otherwise consent, provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

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

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more Credit Contacts to whom all syndicate-level information (which may contain material non-public information about Griffon, the Parent, any Group Member and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws; and

(E) without the prior written consent of each of the Administrative Agent and the Borrower, no assignment shall be made to a prospective assignee that bears a relationship to the Borrower described in Section 108(e)(4) of the Code.

For the purposes of this Section 9.04(b), the term "Approved Fund" has the following meaning:

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

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 2.15, Section 2.16, Section 2.17 and Section 9.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the " Register"). The entries in the Register shall be conclusive, 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, any Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.05, Section 2.06(d) or (e), Section 2.07(b), Section 2.18(d) or Section 9.03(c), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(1) Any Lender may, without the consent of the Borrower, the Administrative Agent, any Issuing Bank or the Swingline Lender, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (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 and (D) without the prior written consent of each of the Administrative Agent and the Borrower, no participation shall be sold to a prospective Participant that bears a relationship to the Borrower described in Section 108(e)(4) of the Code. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.02(b) that affects such Participant. Subject to paragraph (c)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of, and subject to the limitations of, Section 2.15, Section 2.16 and Section 2.17 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.18(d) as though it were a Lender. Each Lender that sells a participation, acting solely for this purpose as an agent of the Borrower, shall maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under this Agreement (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, Letters of Credit or its other obligations under this Agreement or any other Loan Document) except to the extent that such disclosure is necessary to establish that such Commitment, Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive, and such Lender, each Loan Party and the Administrative Agent shall treat each person whose name is recorded in the Participant Register pursuant to the terms hereof as the owner of such participation for all purposes of this Agreement, notwithstanding notice to the contrary.

(2) A Participant shall not be entitled to receive any greater payment under Section 2.15 or Section 2.17 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. No Participant shall be entitled to the benefits of Section 2.17 unless such Participant complies with Section 2.17(e) as though it were a Lender.

(c) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section

shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 9.05. Survival. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, any Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Section 2.15, Section 2.16, Section 2.17 and Section 9.03 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any provision hereof.

Section 9.06. 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 any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof 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 assigns. Delivery of an executed counterpart of a signature page of this Agreement by facsimile shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 9.07. Severability. 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 9.08. Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by such Lender or Affiliate to or for the credit or the account of the Borrower or such Guarantor against any of and all the Secured Obligations held by such Lender, irrespective of whether or not such Lender shall have made any demand under the Loan Documents and although such obligations may be unmatured. The applicable Lender shall notify the Borrower 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 under this Section are in addition to other rights and remedies (including other rights of setoff) which such Lender may have.

Section 9.09. Release of Collateral. Notwithstanding anything to the contrary contained herein or any other Loan Document, when all Obligations (other than contingent indemnification obligations) have been paid in full and all Commitments have terminated or expired, upon the reasonable request of the Borrower, the Administrative Agent shall (without notice to, or vote or consent of, any Lender) take such actions as shall be required to release its security interest in all Collateral, and to release all guarantee obligations provided for in any Loan Document. Any such release of guarantee obligations shall be deemed subject to the provision that such guarantee obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made. Notwithstanding the foregoing, upon the reasonable request of the Borrower in connection with any disposition of assets or property of Holdings or any of its Subsidiaries permitted hereunder, the Administrative Agent shall (without notice to, or vote or consent of, any Lender) take such actions as shall be required to release its security interest in all Collateral being disposed of in such disposition, and to release any guarantee obligations provided for in any Loan Document of any Person being disposed of in such disposition, to the extent necessary to permit consummation of such disposition in accordance with the Loan Documents.

Section 9.10. Governing Law; Jurisdiction; Consent to Service of Process. (a) The Loan Documents (other than those containing a contrary express choice of law provision) shall be governed by and construed in accordance with the laws of the State of New York, but giving effect to federal laws applicable to national banks.

(b) Each Loan Party hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any U.S. Federal or New York State court sitting in New York, New York in any action or proceeding arising out of or relating to any Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that the Administrative Agent, any Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Loan Party or its properties in the courts of any jurisdiction.

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

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 9.11. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 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, the Issuing Banks and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority, (c) to the extent required by Requirement of Laws or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Loan Parties and their obligations, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent, any Issuing Bank or any Lender on a non-confidential basis from a source other than the Borrower. For the purposes of this Section, "Information" means all information received from the Borrower relating to the Borrower or its business, other than any such information that is available to the Administrative Agent, any Issuing Bank or any Lender on a non-confidential basis prior to disclosure by the Borrower. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN SECTION 9.13 FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING GRIFFON AND ITS AFFILIATES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

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

Section 9.14. Several Obligations; Nonreliance; Violation of Law. The respective obligations of the Lenders hereunder are several and not joint and the failure of any Lender to make any Loan or perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder. Each Lender hereby represents that it is not relying on or looking to any margin stock for the repayment of the Borrowings provided for herein. Anything contained in this Agreement to the contrary notwithstanding, no Issuing Bank or Lender shall be obligated to extend credit to the Borrower in violation of any Requirement of Law.

Section 9.15. USA PATRIOT Act. Each Lender that is subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act") hereby notifies the Borrower that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the names and addresses of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Act.

Section 9.16. Disclosure. Each Loan Party 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 9.17. Appointment for Perfection. Each Lender hereby appoints each other Lender as its agent for the purpose of perfecting Liens, for the benefit of the Administrative Agent and the Secured Parties, in assets which, in accordance with Article 9 of the UCC or any other applicable law can be perfected only by possession. Should any Lender (other than the Administrative Agent) obtain possession of any such Collateral, such Lender 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 9.18. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans 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.

Section 9.19. Effect of Agreement. (a) On the Effective Date, the Existing Credit Agreement shall be amended, restated and superseded in its entirety. The parties hereto acknowledge and agree that (i) this Agreement and the other Loan Documents, whether executed and delivered in connection herewith or otherwise, do not constitute a novation, payment and reborrowing, or termination of the "Obligations" (as defined in the Existing Credit Agreement) under the Existing Credit Agreement as in effect prior to the Effective Date and (ii) such "Obligations" are in all respects continuing (as amended and restated hereby) with only the terms thereof being modified as provided in this Agreement.

(b) On the Effective Date, (i) any Lender (as defined in the Existing Credit Agreement) that is not a Lender under this Agreement shall have no Commitments or obligations hereunder and (ii) participations in the Griffon Letters of Credit shall be allocated among the Lenders in accordance with their respective Applicable Percentages of the related LC Exposure.

ARTICLE X

Guaranty

Section 10.01. Guaranty. Each Guarantor hereby agrees that it is jointly and severally liable for, and, as primary obligor and not merely as surety, absolutely and unconditionally guarantees to the Secured Parties the prompt payment when due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the Secured Obligations and all costs and expenses including, without limitation, all court costs and attorneys' and paralegals' fees (including allocated costs of in-house counsel and paralegals) and expenses paid or incurred by the Administrative Agent, the Issuing Banks and the Secured Parties in endeavoring to collect all or any part of the Secured Obligations from, or in prosecuting any action against, the Borrower, any Guarantor or any other guarantor of all or any part of the Secured Obligations (such costs and expenses, together with the Secured Obligations, collectively the "Guaranteed Obligations"). Each Guarantor further agrees that the Guaranteed Obligations may, to the extent permitted by the terms of this Agreement or any other Loan Document, be extended or renewed in whole or in part without notice to or further assent from it, and that it remains bound upon its guarantee notwithstanding any such extension or renewal. All terms of this Guaranty apply to and may be enforced by or on behalf of any domestic or foreign branch or Affiliate of any Lender that extended any portion of the Guaranteed Obligations.

Section 10.02. Guaranty of Payment. This Guaranty is a guaranty of payment and not of collection. Each Guarantor waives any right to require the Administrative Agent, any Issuing Bank or any Lender to sue the Borrower, any Guarantor, any other guarantor, or any other person obligated for all or any part of the Guaranteed Obligations (each, an "Obligated Party"), or otherwise to enforce its payment against any collateral securing all or any part of the Guaranteed Obligations.

Section 10.03. No Discharge or Diminishment of Guaranty. (a) Except as otherwise provided for herein or in any other Loan Document, the obligations of each Guarantor hereunder are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason (other than the indefeasible payment in full in cash of the Guaranteed Obligations), including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of the Borrower or any other guarantor of or other person liable for any of the Guaranteed Obligations; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligated Party, or their assets or any resulting release or discharge of any

obligation of any Obligated Party; or (iv) the existence of any claim, setoff or other rights which any Guarantor may have at any time against any Obligated Party, the Administrative Agent, any Issuing Bank, any Lender, or any other person, whether in connection herewith or in any unrelated transactions.

(b) The obligations of each Guarantor hereunder are not subject to any defense or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any Obligated Party, of the Guaranteed Obligations or any part thereof.

(c) Further, the obligations of any Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of the Administrative Agent, any Issuing Bank or any Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for the obligations of the Borrower for all or any part of the Guaranteed Obligations or any obligations of any other guarantor of or other person liable for any of the Guaranteed Obligations; (iv) any action or failure to act by the Administrative Agent, any Issuing Bank or any Lender with respect to any collateral securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of such Guarantor or that would otherwise operate as a discharge of any Guarantor as a matter of law or equity (other than the indefeasible payment in full in cash of the Guaranteed Obligations).

Section 10.04. Defenses Waived. To the fullest extent permitted by applicable law, each Guarantor hereby waives any defense based on or arising out of any defense of the Borrower or any Guarantor or the unenforceability of all or any part of the Guaranteed Obligations from any cause, or the cessation from any cause of the liability of the Borrower or any Guarantor, other than the indefeasible payment in full in cash of the Guaranteed Obligations. Without limiting the generality of the foregoing, each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein, as well as any requirement that at any time any action be taken by any person against any Obligated Party, or any other person. The Administrative Agent may, at its election, foreclose on any Collateral held by it by one or more judicial or non-judicial sales, accept an assignment of any such Collateral in lieu of foreclosure or otherwise act or fail to act with respect to any collateral securing all or a part of the Guaranteed Obligations, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with any Obligated Party or exercise any other right or remedy available to it against any Obligated Party, without affecting or impairing in any way the liability of such Guarantor under this Guaranty except to the extent the Guaranteed Obligations have been fully and indefeasibly paid in cash. To the fullest extent permitted by applicable law, each Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any Obligated Party or any security.

Section 10.05. Rights of Subrogation. No Guarantor will assert any right, claim or cause of action, including, without limitation, a claim of subrogation, contribution or indemnification that it has against any Obligated Party, or any collateral, until the Loan Parties and the Guarantors have fully performed all their obligations to the Administrative Agent, the Issuing Banks and the Secured Parties.

Section 10.06. Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Guaranteed Obligations is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, or reorganization of the Borrower or otherwise, each Guarantor's obligations under this Guaranty with respect to that payment shall be reinstated at such time as though the payment had not been made and whether or not the Administrative Agent, the Issuing Banks and the Secured Parties are in possession of this Guaranty. If acceleration of the time for payment of any of the Guaranteed Obligations is stayed upon the insolvency, bankruptcy or reorganization of the Borrower, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Guaranteed Obligations shall nonetheless be payable by the Guarantors forthwith on demand by the Lender.

Section 10.07. Information. Each Guarantor assumes all responsibility for being and keeping itself informed of the Borrower's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations and the nature, scope and extent of the risks that each Guarantor assumes and incurs under this Guaranty, and agrees that neither the Administrative Agent, any Issuing Bank nor any Lender shall have any duty to advise any Guarantor of information known to it regarding those circumstances or risks.

Section 10.08. [Reserved].

Section 10.09. Maximum Liability. The provisions of this Guaranty are severable, and in any action or proceeding involving any state corporate law, or any state, federal or foreign bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any Guarantor under this Guaranty would otherwise be held or determined to be avoidable, invalid or unenforceable on account of the amount of such Guarantor's liability under this Guaranty, then, notwithstanding any other provision of this Guaranty to the contrary, the amount of such liability shall, without any further action by the Guarantors or the Secured Parties, be automatically limited and reduced to the highest amount that is valid and enforceable as determined in such action or proceeding (such highest amount determined hereunder being the relevant Guarantor's " Maximum Liability"). This Section with respect to the Maximum Liability of each Guarantor is intended solely to preserve the rights of the Secured Parties to the maximum extent not subject to avoidance under applicable law, and no Guarantor nor any other person or entity shall have any right or claim under this Section with respect to such Maximum Liability, except to the extent necessary so that the obligations of any Guarantor hereunder shall not be rendered voidable under applicable law. Each Guarantor agrees that the Guaranteed Obligations may at any time and from time to time exceed the Maximum Liability of each Guarantor without impairing this Guaranty or affecting the rights and remedies of the Secured Parties hereunder, provided that, nothing in this sentence shall be construed to increase any Guarantor's obligations hereunder beyond its Maximum Liability.

Section 10.10. Contribution. In the event any Guarantor (a "Paying Guarantor") shall make any payment or payments under this Guaranty or shall suffer any loss as a result of any realization upon any collateral granted by it to secure its obligations under this Guaranty, each other Guarantor (each a "Non-Paying Guarantor") shall contribute to such Paying Guarantor an amount equal to such Non-Paying Guarantor's "Applicable Percentage" of such payment or payments made, or losses suffered, by such Paying Guarantor. For purposes of this Article X, each Non-Paying Guarantor's "Applicable Percentage" with respect to any such payment or loss by a Paying Guarantor shall be determined as of the date on which such payment or loss was made by reference to the ratio of (i) such Non-Paying Guarantor's Maximum Liability as of such date (without giving effect to any right to receive, or obligation to make, any contribution hereunder) or, if such Non-Paying Guarantor's Maximum Liability has not been determined, the aggregate amount of all monies received by such Non-Paying Guarantor from the Borrower after the date hereof (whether by loan, capital infusion or by other means) to (ii) the aggregate Maximum Liability of all Guarantors hereunder (including such Paying

Guarantor) as of such date (without giving effect to any right to receive, or obligation to make, any contribution hereunder), or to the extent that a Maximum Liability has not been determined for any Guarantor, the aggregate amount of all monies received by such Guarantors from the Borrower after the date hereof (whether by loan, capital infusion or by other means). Nothing in this provision shall affect any Guarantor's several liability for the entire amount of the Guaranteed Obligations (up to such Guarantor's Maximum Liability). Each of the Guarantors covenants and agrees that its right to receive any contribution under this Guaranty from a Non-Paying Guarantor shall be subordinate and junior in right of payment to the payment in full in cash of the Guaranteed Obligations. This provision is for the benefit of the Administrative Agent, the Issuing Banks, the Secured Parties and the Guarantors and may be enforced by any one, or more, or all of them in accordance with the terms hereof.

Section 10.11. Liability Cumulative. The liability of each Loan Party as a Guarantor under this Article X is in addition to and shall be cumulative with all liabilities of each Loan Party to the Administrative Agent, the Issuing Banks and the Secured Parties under this Agreement and the other Loan Documents to which such Loan Party is a party or in respect of any obligations or liabilities of the other Loan Parties, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

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.

BORROWER:

CLOPAY AMES TRUE TEMPER HOLDING CORP.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

HOLDINGS:

CLOPAY AMES TRUE TEMPER LLC

By: /s/ Seth L. Kaplan
Name: Seth K. Kaplan
Title: Senior Vice President

OTHER LOAN PARTIES:

CLOPAY PLASTIC PRODUCTS COMPANY, INC.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY BUILDING PRODUCTS COMPANY, INC.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY BUILDING PRODUCTS INTERNATIONAL SALES CORPORATION

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Vice President and Treasurer

CLOPAY TRANSPORTATION COMPANY

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY ACQUISITION CORP.

By: /s/ Seth L. Kaplan
Name: Seth K. Kaplan
Title: Senior Vice President

CHATT HOLDINGS INC.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

ATT HOLDING CO.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

AMES TRUE TEMPER, INC.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

AMES U.S. HOLDING CORP.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President, Treasurer and Secretary

AMES TRUE TEMPER PROPERTIES, INC.

By: /s/ David Nuti
Name: David Nuti
Title: CFO and Assistant Secretary

JPMORGAN CHASE BANK, N.A., individually, as Administrative Agent, an Issuing Bank, Swingline Lender and as a Lender

By: /s/ Kathleen C. Maggi
Name: Kathleen C. Maggi
Title: Senior Vice President

BANK OF AMERICA, N.A., as an Issuing Bank and as a Lender

By /s/ Nancy E. Donohue
Name: Nancy E. Donohue
Title: Vice President

Manufacturers and Traders Trust Company, as Lender

By /s/ William Terragho
Name: William Terragho
Title: Vice President

U.S. Bank National Association, as Lender

By /s/ Aaron Sceva
Name: Aaron Sceva
Title: Officer

DEUTCHE BANK TRUST COMPANY AMERICAS, as Lender

By /s/ Stephen R. Lapidus
Name: Stephen R. Lapidus
Title: Director

By /s/ Phillip Salibe
Name: Phillip Salibe
Title: Director

HSBC Business Credit (USA) Inc., as Lender

By /s/ Kysha A. Pierre-Louis
Name: Kysha A. Pierre-Louis
Title: Vice President

Wells Fargo Capital Finance, LLC, as Lender

By /s/ Mark Bradford
Name: Mark Bradford
Title: SVP

EXECUTION VERSION

AMENDED AND RESTATED PLEDGE AND SECURITY AGREEMENT

THIS AMENDED AND RESTATED PLEDGE AND SECURITY AGREEMENT dated as of September 30, 2010 (as it may be amended, restated, supplemented and otherwise modified from time to time, this "Security Agreement"), among Clopay Ames True Temper LLC, a Delaware limited liability company ("Holdings"), Clopay Ames True Temper Holding Corp., a Delaware corporation (the "Borrower") and certain subsidiaries of the Borrower listed on Schedule 1 hereto (together with Holdings and the Borrower, the "Grantors"), and JPMorgan Chase Bank, N.A., in its capacity as administrative agent (the "Administrative Agent") for the Secured Parties referred to below.

Notwithstanding anything herein to the contrary, the lien and security interest granted pursuant to this Security Agreement and the exercise of any right or remedy hereunder are subject to the provisions of the Intercreditor Agreement, dated as of September 30, 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "Intercreditor Agreement"), among the Borrower, Holdings, certain subsidiaries of the Borrower, the Term Loan Representative (as defined therein) and the ABL Representative (as defined therein). In the event of any conflict between the terms of the Intercreditor Agreement and this Security Agreement, the terms of the Intercreditor Agreement shall govern and control.

PRELIMINARY STATEMENT

WHEREAS, certain of the Grantors are parties to that certain Credit Agreement, dated as of June 24, 2008, by and between Clopay Building, as a borrower, Clopay Plastic, as a borrower, the lenders parties thereto and JPMorgan Chase Bank, N.A., as administrative agent (the " Existing Credit Agreement");

WHEREAS, certain of the Grantors are parties to that certain Pledge and Security Agreement, dated as of June 24, 2008, among the Grantors named therein and JPMorgan Chase Bank, N.A., as administrative agent (the " Existing Security Agreement");

WHEREAS the Grantors, the Administrative Agent and the Lenders intend to amend and restate the Existing Credit Agreement by entering into the Amended and Restated Credit Agreement, dated as of September 30, 2010 (as it may be amended or modified from time to time, the " Credit Agreement"); and

WHEREAS it is a condition precedent to the effectiveness of the Credit Agreement that the Grantors amend and restate the Existing Security Agreement;

ACCORDINGLY, the Grantors and the Administrative Agent, on behalf of the Secured Parties, hereby agree that the Existing Security Agreement shall be amended and restated in its entirety as follows:

ARTICLE I
DEFINITIONS

1.1 Terms Defined in Credit Agreement. All capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement.

1.2 Terms Defined in UCC. Terms defined in the UCC which are not otherwise defined in this Security Agreement or the Credit Agreement are used herein as defined in the UCC.

1.3 Definitions of Certain Terms Used Herein. As used in this Security Agreement, in addition to the terms defined in the Preliminary Statement, the following terms shall have the following meanings:

"ABL Collateral" shall have the meaning set forth in the Intercreditor Agreement.

"Account Debtor" means any Person obligated on an Account.

"Accounts" shall have the meaning set forth in Article 9 of the UCC.

"Article" means a numbered article of this Security Agreement, unless another document is specifically referenced.

"Borrower Obligations" means the collective reference to the unpaid principal of and interest on the Loans and reimbursement obligations and all other obligations and liabilities of the Borrower (including, without limitation, interest accruing at the then applicable rate provided in the Credit Agreement after the maturity of the Loans and reimbursement obligations and interest accruing at the then applicable rate provided in the Credit Agreement after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) to the Administrative Agent or any Lender (or, in the case of any Specified Banking Service Agreement or Specified Swap Agreement, any Affiliate of any Lender), whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, the Credit Agreement, this Agreement, the other Loan Documents, any Letter of Credit, any Specified Swap Agreement, any Specified Banking Service Agreement or any other document made, delivered or given in connection with any of the foregoing, in each case whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to the Administrative Agent or to the Lenders that are required to be paid by the Borrower pursuant to the terms of any of the foregoing agreements).

"Cash Dominion Period" means each period when an Event of Default shall have occurred and be continuing or each period beginning on a date on which Availability is less than 15% of the Revolving Commitments; provided that the Cash Dominion Period shall be discontinued when and if Availability shall have been greater than 20% of the Revolving Commitments for a period of 90 consecutive days and no Event of Default shall be continuing.

"Chattel Paper" shall have the meaning set forth in Article 9 of the UCC.

"Collateral" shall have the meaning set forth in Article II.

"Collateral Access Agreement" means any landlord waiver or other agreement, in form and substance reasonably satisfactory to the Administrative Agent, between the Administrative Agent (and prior to the Term Loan Obligations Payment Date, the Term Loan Representative) and any third party (including any bailee, consignee, customs broker, or other similar Person) in possession of any Collateral or any landlord of any Loan Party for any real property where any Collateral is located, as such landlord waiver or other agreement may be amended, restated, or otherwise modified from time to time.

"Collateral Report" means any certificate (including any Borrowing Base Certificate), report or other document delivered by any Grantor to the Administrative Agent or any Lender with respect to the Collateral pursuant to any Loan Document.

"Collection Account" shall have the meaning set forth in Section 7.1(b).

"Commercial Tort Claims" shall have the meaning set forth in Article 9 of the UCC.

"Commodity Account" shall have the meaning set forth in Article 9 of the UCC.

"Control" shall have the meaning set forth in Article 8 or, if applicable, in Section 9-104, 9-105, 9-106 or 9-107 of Article 9 of the UCC.

"Controlled Account" shall have the meaning set forth in Section 7.1.

"Control Agreement" means an agreement, in form and substance reasonably satisfactory to the Administrative Agent, among any Loan Party, a banking institution holding such Loan Party's funds, the Administrative Agent and, prior to the Term Loan Obligations Payment Date, the Term Loan Collateral Agent with respect to collection and control of all deposits and balances held in a deposit account maintained by any Loan Party with such banking institution.

"Copyrights" means, with respect to any Person, all of such Person's right, title, and interest in and to the following: (a) all copyrights, rights and interests in copyrights, works protectable by copyright, copyright registrations, and copyright applications; (b) all renewals of any of the foregoing; (c) all income, royalties, damages, and payments now or hereafter due and/or payable under any of the foregoing, including, without limitation, damages or payments for past or future infringements for any of the foregoing; (d) the right to sue for past, present, and future infringements of any of the foregoing; and (e) all rights corresponding to any of the foregoing throughout the world.

"Copyright Security Agreement" shall mean the Copyright Security Agreement substantially in the form of Exhibit H.

"Deposit Accounts" shall have the meaning set forth in Article 9 of the UCC.

"Documents" shall have the meaning set forth in Article 9 of the UCC.

"Equipment" shall have the meaning set forth in Article 9 of the UCC.

"Exhibit" refers to a specific exhibit to this Security Agreement, unless another document is specifically referenced.

"Existing Term Loan Agreement" means the credit agreement dated as of September 30, 2010, among Clopay Ames True Temper Holding Corp., as borrower, Clopay Ames True Temper LLC, Goldman Sachs Lending Partners LLC, and the other lenders party thereto, as in effect on the date hereof.

"Foreign Subsidiary" means any Subsidiary of a Grantor organized under the laws of any jurisdiction outside the United States of America.

"Foreign Subsidiary Voting Stock" means the voting Equity Interests in any first-tier Foreign Subsidiary.

"General Intangibles" shall have the meaning set forth in Article 9 of the UCC.

"Goods" shall have the meaning set forth in Article 9 of the UCC.

"Guaranteed Obligations" with respect to any Guarantor, all obligations and liabilities of such Guarantor which may arise under or in connection with the Credit Agreement (including, without limitation, Article X) or any other Loan Document, any Specified Swap Agreement or any Specified Banking Service Agreement to which such Guarantor is a party, in each case whether on account of guarantee obligations, reimbursement obligations, fees, indemnities, costs, expenses or otherwise (including, without limitation, all reasonable fees and disbursements of counsel to the Administrative Agent or to the Lenders that are required to be paid by such Guarantor pursuant to the terms of the Credit Agreement or any other Loan Document).

"Grantors" shall have the meaning set forth in the preamble.

"Instruments" shall have the meaning set forth in Article 9 of the UCC.

"Insurance" shall mean (i) all insurance policies covering any or all of the Collateral (regardless of whether the Administrative Agent is the loss payee thereof) and (ii) any key man life insurance policies.

"Intellectual Property" means all intellectual property of every kind and nature now owned or hereafter acquired by any Grantor, including inventions, designs, Patents, Copyrights, Licenses, Trademarks, trade secret licenses, confidential or proprietary technical or business information, know-how, show-how or other data or information, software and databases and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and accessions to, and booked and records describing or used in connection with, any of the foregoing.

"Intellectual Property Security Agreements" means the Copyright Security Agreement, the Patent Security Agreement, and the Trademark Security Agreement.

"Intercompany Note" means any promissory note evidencing loans made by any Grantor to Holdings or any of its Subsidiaries.

"Inventory" shall have the meaning set forth in Article 9 of the UCC.

"Investment Accounts" means the Securities Accounts, Commodity Accounts and Deposit Accounts, including any Prepayment Accounts.

"Investment Property" means: (i) all "investment property" as such term is defined in Article 9 of the UCC and (ii) all of the following (regardless of whether classified as investment property under the UCC): all Pledged Equity Interests, Pledged Debt, the Investment Accounts and certificates of deposit.

"Letter-of-Credit Rights" shall have the meaning set forth in Article 9 of the UCC.

"Licenses" means, with respect to any Person, all of such Person's right, title, and interest in and to (a) any and all licensing agreements or similar arrangements in and to its Patents, Copyrights, or Trademarks, (b) all income, royalties, damages, claims, and payments now or hereafter due or payable under and with respect thereto, including, without limitation, damages and payments for past and future breaches thereof, and (c) all rights to sue for past, present, and future breaches thereof.

"Lock Boxes" shall have the meaning set forth in Section 7.1(a).

"Lock Box Agreements" shall have the meaning set forth in Section 7.1(a).

"Patents" means, with respect to any Person, all of such Person's right, title, and interest in and to: (a) any and all patents and patent applications; (b) all inventions and improvements described and claimed therein; (c) all reissues, divisions, continuations, renewals, extensions, and continuations-in-part thereof; (d) all income, royalties, damages, claims, payments and Proceeds now or hereafter due or payable under and with respect thereto, including, without limitation, damages and payments for past and future infringements thereof; (e) all rights to sue for past, present, and future infringements thereof; and (f) all other rights corresponding to any of the foregoing throughout the world.

"Patent Security Agreement" means the Patent Security Agreement substantially in the form of Exhibit I.

"Pledged Collateral" means all Instruments (including without limitation, Pledged Debt), Securities, Pledged Equity Interests and other Investment Property of the Grantors, whether or not physically delivered to the Administrative Agent pursuant to this Security Agreement; provided that in no event shall either the stock of any Immaterial Subsidiary or more than 65% of the total outstanding Foreign Subsidiary Voting Stock of each Foreign Subsidiary be required to be pledged hereunder.

"Pledged Debt" means all Indebtedness owed to any Grantor, whether or not evidenced by any Instrument, including, without limitation, all Indebtedness described on Exhibit E under the heading "Pledged Debt" (as such schedule may be amended or supplemented from time to time), issued by the obligors named therein, the Instruments, if any, evidencing any of the foregoing, and all interest, cash, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the foregoing.

"Pledged Equity Interests" means (i) all Equity Interests owned by a Grantor (including, without limitation, all Equity Interests listed on Exhibit E, as such schedule may be amended or supplemented from time to time), (ii) the certificates if any, representing such Equity Interests and (iii) any other participation or interest in any equity or profits of any business entity including, without limitation, any trusts and all management rights relating to any entity whose equity interests are included as Collateral.

"Prepayment Account" shall have the meaning set forth in the Intercreditor Agreement.

"Proceeds" shall have the meaning set forth in the Intercreditor Agreement.

"Receivables" means the Accounts, Chattel Paper, Investment Property, Instruments and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.

"Required Secured Parties" means (a) prior to an acceleration of the Obligations under the Credit Agreement, the Required Lenders, (b) after an acceleration of the Obligations and termination of Commitments under the Credit Agreement but prior to the date upon which the Credit Agreement has terminated by its terms and all of the obligations thereunder have been paid in full, Lenders holding in the aggregate at least a majority of the total of the Aggregate Credit Exposure, and (c) after the Credit Agreement has terminated by its terms and all of the Obligations thereunder have been paid in full (whether or not the Obligations under the Credit Agreement were ever accelerated), Secured Parties holding in the aggregate at least a majority of the aggregate net early termination payments and all other amounts then due and unpaid from any Grantor to the Secured Parties under the Specified Swap Agreements or the Specified Banking Service Agreements, as determined by the Administrative Agent in its reasonable discretion.

"Section" means a numbered section of this Security Agreement, unless another document is specifically referenced.

"Secured Obligations" means, collectively, the Borrower Obligations and the Guaranteed Obligations.

"Secured Parties" the collective reference to the Administrative Agent, the Lenders, any affiliate of any Lender to which Borrower Obligations or Guaranteed Obligations, as applicable, are owed and any other holder of Secured Obligations.

"Securities Accounts" shall have the meaning set forth in Article 8 of the UCC.

"Security" shall have the meaning set forth in Article 8 of the UCC.

"Specified Banking Service Agreement" means any agreement between a Loan Party and a Lender or an Affiliate thereof, executed in writing and delivered in connection with Banking Services which has been identified by the applicable Lender (or Affiliate thereof) and the Borrower, by written notice to the Administrative Agent not later than 90 days after the execution and delivery thereof by the applicable Loan Party, as a Specified Banking Service Agreement (it being understood that any such agreement with JPMorgan Chase Bank, N.A. or an Affiliate thereof shall constitute a Specified Banking Service Agreement).

"Specified Swap Agreement" means any Swap Agreement executed in writing and delivered between a Loan Party and a Lender or an Affiliate thereof, which has been identified by the applicable Lender (or Affiliate thereof) and the Borrower, by written notice to the Administrative Agent not later than 90 days after the execution and delivery thereof by the applicable Loan Party, as a Specified Swap Agreement, which notice shall certify that the obligations thereunder do not constitute Secured Term Loan Hedge Obligations (as defined in the Intercreditor Agreement (it being understood that any such agreement with JPMorgan Chase Bank, N.A. or an Affiliate thereof shall constitute a Specified Swap Agreement).

"Stock Rights" means all dividends, instruments or other distributions and any other right or property which the Grantors shall receive or shall become entitled to receive for any reason whatsoever with respect to, in substitution for or in exchange for any Equity Interest constituting Collateral (including any right to receive any Equity Interest).

"Supporting Obligations" shall have the meaning set forth in Article 9 of the UCC.

"Term Collateral" shall have the meaning set forth in the Intercreditor Agreement.

"Term Loan Collateral Agent" means Goldman Sachs Lending Partners LLC, in its capacity as collateral agent under the Existing Term Loan Agreement.

"Term Loan Obligations Payment Date" shall have the meaning set forth in the Intercreditor Agreement.

"Trademarks" means, with respect to any Person, all of such Person's right, title, and interest in and to the following: (a) all trademarks (including service marks), trade names, trade dress, and trade styles and the registrations and applications for registration thereof and the goodwill of the business symbolized by the foregoing; (b) all licenses of the foregoing, whether as licensee or licensor; (c) all renewals of the foregoing; (d) all income, royalties, damages, and payments now or hereafter due or

payable with respect thereto, including, without limitation, damages, claims, and payments for past and future infringements thereof; (e) all rights to sue for past, present, and future infringements of the foregoing, including the right to settle suits involving claims and demands for royalties owing; and (f) all rights corresponding to any of the foregoing throughout the world.

"Trademark Security Agreement" means the Trademark Security Agreement substantially in the form of Exhibit J.

"UCC" means the Uniform Commercial Code, as in effect from time to time, of the State of New York or of any other state the laws of which are required as a result thereof to be applied in connection with the attachment, perfection or priority of, or remedies with respect to, Administrative Agent's or any Secured Party's Lien on any Collateral.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

ARTICLE II
GRANT OF SECURITY INTEREST

2.1 Each Grantor hereby pledges, assigns and grants to the Administrative Agent, its successors and assigns, on behalf of and for the benefit of the Secured Parties, a security interest in and continuing lien on all of such Grantor's right, title and interest in, to and under all personal property and other assets, whether now owned by or owing to, or hereafter acquired by or arising in favor of such Grantor (including under any trade name or derivations thereof), and whether owned or consigned by or to, or leased from or to, such Grantor, and regardless of where located (all of which will be collectively referred to as the "Collateral"), including:

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Intellectual Property;

(iv) all Documents;

(v) all Equipment;

(vi) all General Intangibles;

(vii) all Goods;

(viii) all Instruments;

(ix) all Inventory;

(x) all Investment Property, other than any stock of any Immaterial Subsidiary and Foreign Subsidiary Voting Stock excluded from the definition of Pledged Collateral;

(xi) all cash or cash equivalents (including Permitted Investments));

(xii) all Letter-of-Credit Rights and Supporting Obligations;

(xiii) all Deposit Accounts;

(xiv) Insurance;

(xv) Commercial Tort Claims now or hereafter described on Exhibit E; and

(xvi) all accessions to, substitutions for and replacements, Proceeds (including Stock Rights), insurance proceeds and products of the foregoing, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto and any General Intangibles at any time evidencing or relating to any of the foregoing;

to secure the prompt and complete payment and performance of the Secured Obligations; provided, however, that notwithstanding any of the other provisions set forth in this Article II, this Security Agreement shall not constitute a grant of a security interest in (i) any leasehold interest in real property, (ii) any property to the extent that such grant of a security interest is prohibited by any Requirement of Law of a Governmental Authority, requires a consent not obtained of any Governmental Authority pursuant to such Requirement of Law or conflicts with or is prohibited by, or constitutes a breach or default under or results in the termination of or requires any consent not obtained under, any contract, license, agreement, instrument or other document evidencing or giving rise to such property or, in the case of any Equity Interests in Persons which are not Subsidiaries of a Grantor, any applicable shareholder or similar agreement among holders of Equity Interests in such Persons, except to the extent that such Requirement of Law or the term in such contract, license, agreement, instrument or other document or shareholder or similar agreement providing for such prohibition, breach, default or termination or requiring such consent is ineffective under applicable law, or (iii) any vehicle subject to a certificate of title statute. It is hereby understood and agreed that any property described in the preceding proviso, and any property that is otherwise expressly excluded from any clause in this section above, and any property specifically excluded from any defined term used in any clause of this section above, shall be excluded from the definition of "Collateral".

2.2 Continuing Liability Under Collateral. Notwithstanding anything herein to the contrary, (i) each Grantor shall remain liable for all obligations under the Collateral and nothing contained herein is intended or shall be a delegation of duties to Administrative Agent or any other Secured Party, (ii) each Grantor shall remain liable under each of the agreements included in the Collateral, to perform all of the obligations undertaken by it thereunder all in accordance with and pursuant to the terms and provisions thereof and neither Administrative Agent nor any Secured Party shall have any obligation or liability under any such agreement by reason of or arising out of this Security Agreement or any other document related hereto nor shall Administrative Agent nor any Secured Party have any obligation to make any inquiry as to the nature or sufficiency of any payment received by it or have any obligation to take any action to collect or enforce any rights under any such agreement included in the Collateral and (iii) the exercise by Administrative Agent of any of its rights hereunder shall not release any Grantor from any of its duties or obligations under the contracts and agreements included in the Collateral.

ARTICLE III
REPRESENTATIONS AND WARRANTIES

Each Grantor represents and warrants to the Administrative Agent and the Lenders that:

3.1 Title, Perfection and Priority. Such Grantor has good and valid rights in or the power to transfer the Collateral and title to the Collateral with respect to which it has purported to grant a security interest hereunder, free and clear of all Liens except for Liens permitted under Section 4.1(f), and has full

power and authority to grant to the Administrative Agent the security interest in such Collateral pursuant hereto. When financing statements have been filed in the appropriate offices against such Grantor in the locations listed on Exhibit F, the Administrative Agent will have a fully perfected first priority security interest in that Collateral of the Grantor in which a security interest may be perfected by filing, subject only to Liens permitted under Section 4.1(f).

3.2 Name, Type and Jurisdiction of Organization, Organizational and Identification Numbers. The full legal name of such Grantor, all trade names or other names under which such Grantor currently conducts business, the type of entity of such Grantor, its state of organization, the organizational number issued to it by its state of organization and its federal employer identification number are set forth on Exhibit A.

3.3 Principal Location. Such Grantor's mailing address and the location of its place of business (if it has only one) or its chief executive office (if it has more than one place of business), are disclosed in Exhibit A.

3.4 Collateral Locations. All of such Grantor's locations where any Collateral with an aggregate value in excess of $500,000 is located are listed on Exhibit A. All of said locations are owned by such Grantor except for locations (i) which are leased by the Grantor as lessee and designated in Part VII(b) of Exhibit A and (ii) at which Inventory is held in a public warehouse or is otherwise held by a bailee or on consignment as designated in Part VII(c) of Exhibit A.

3.5 Deposit Accounts. All of such Grantor's Deposit Accounts are listed on Exhibit B.

3.6 Exact Names. Such Grantor's name in which it has executed this Security Agreement is the exact name as it appears in such Grantor's organizational documents, as amended, as filed with such Grantor's jurisdiction of organization. Other than as set forth on Exhibit A, such Grantor has not, during the past five years, been known by or used any other corporate, trade, fictitious or other name, or been a party to any merger or consolidation, or been a party to any acquisition.

3.7 Letter-of-Credit Rights and Chattel Paper. Exhibit C lists all Letter-of-Credit Rights and Chattel Paper of such Grantor. All action by such Grantor reasonably necessary to protect and perfect the Administrative Agent's Lien on each item listed on Exhibit C (including the delivery of all originals and the placement of a legend on all Chattel Paper as required hereunder) has been duly taken. The Administrative Agent will have a fully perfected first priority security interest in the Collateral listed on Exhibit C, subject only to Liens permitted under Section 4.1(f).

3.8 Accounts and Chattel Paper.

(a) The names of the obligors, amounts owing, due dates and other information with respect to its Accounts and Chattel Paper are and will be correctly stated in all material respects in all records of such Grantor relating thereto and in all invoices and Collateral Reports with respect thereto furnished to the Administrative Agent by such Grantor from time to time. As of the time when each Account or each item of Chattel Paper arises, such Grantor shall be deemed to have represented and warranted that such Account or Chattel Paper, as the case may be, and all records relating thereto, are genuine and in all material respects what they purport to be.

(b) With respect to its Accounts, except as specifically disclosed on the most recent Borrowing Base Certificate, (i) all Accounts are Eligible Accounts; (ii) all Accounts represent bona fide sales of Inventory or rendering of services to Account Debtors in the ordinary course of such Grantor's business and are not evidenced by a judgment, Instrument or Chattel Paper; (iii) there are no setoffs,

claims or disputes existing or asserted in writing with respect thereto and such Grantor has not made any agreement with any Account Debtor for any extension of time for the payment thereof, any compromise or settlement for less than the full amount thereof, any release of any Account Debtor from liability therefor, or any deduction therefrom except a discount or allowance allowed by such Grantor in the ordinary course of its business for prompt payment or otherwise permitted pursuant to the Credit Agreement; (iv) to such Grantor's knowledge, there are no facts, events or occurrences which in any material way impair the validity or enforceability thereof or would reasonably be expected to materially reduce the amount payable thereunder as shown on such Grantor's books and records and any invoices, statements and Collateral Reports with respect thereto; (v) such Grantor has not received any written notice of proceedings or actions which are threatened or pending against any Account Debtor which might result in any material adverse change in such Account Debtor's financial condition; and (vi) such Grantor has no knowledge that any Account Debtor is unable generally to pay its debts as they become due.

(c) In addition, with respect to all of its Accounts, (i) the amounts shown on all invoices, statements and Collateral Reports with respect thereto are actually owing to such Grantor as indicated thereon and are not in any way contingent; (ii) if applicable, no payments have been or shall be made thereon except payments delivered to a Lock Box or Controlled Account as and to the extent required pursuant to Section 7.1; and (iii) to such Grantor's knowledge, all Account Debtors have the capacity to contract.

3.9 Commercial Tort Claims. All of such Grantor's Commercial Tort Claims, other than any Commercial Tort Claims having a value of less than $200,000 individually and $500,000 in the aggregate, are listed on Exhibit E.

3.10 Inventory. With respect to any of its Inventory scheduled or listed on the most recent Borrowing Base Certificate, (a) such Inventory (other than Inventory in transit) is located at one of such Grantor's locations set forth on Exhibit A, (b) no Inventory (other than Inventory in transit) is now, or shall at any time or times hereafter be stored at any other location except as permitted by Section 4.1(h), (c) such Grantor has good and merchantable title to such Inventory and such Inventory is not subject to any Lien or security interest or document whatsoever except for the Lien granted to the Administrative Agent, for the benefit of the Secured Parties, and except for Permitted Encumbrances and the Lien granted to the Term Loan Collateral Agent for the benefit of the Term Loan Secured Parties (as defined in the Intercreditor Agreement), (d) except as specifically disclosed in the most recent Borrowing Base Certificate, such Inventory is Eligible Inventory of good and merchantable quality, free from any material defects, (e) such Inventory is not subject to any licensing, patent, royalty, trademark, trade name or copyright agreements with any third parties which would require any consent of any third party upon sale or disposition of that Inventory or the payment of any monies to any third party upon such sale or other disposition, (f) such Inventory has been produced in all material respects in accordance with the Federal Fair Labor Standards Act of 1938, as amended, and all applicable rules, regulations and orders thereunder and (g) the completion of manufacture, sale or other disposition of such Inventory by the Administrative Agent following an Event of Default shall not require the consent of any Person and shall not constitute a material breach or default under any contract or agreement to which such Grantor is a party or to which such property is subject.

3.11 Intellectual Property. Other than any "off the shelf", "shrink wrap", or similar license agreements, such Grantor does not have any interest in, or title to, any License or any registration or application to register any Patent, Trademark or Copyright, except as set forth in Exhibit D. This Security Agreement is effective to create a valid and continuing Lien and, upon the giving of value and filing of appropriate financing statements in the offices listed on Exhibit F and Intellectual Property Security Agreements substantially in the form of Exhibit H, Exhibit I and Exhibit J with the United States

Copyright Office and the United States Patent and Trademark Office, fully perfected first priority security interests in favor of the Administrative Agent on such Grantor's Patents, Trademarks, Copyrights and Licenses (other than security interests in Patents, Trademarks, Copyrights and Licenses in which the perfection of security interest requires filing outside of the United States), and such perfected security interests in such collateral are enforceable as such as against any and all creditors of and purchasers from such Grantor.

3.12 Filing Requirements. None of its Equipment is covered by any certificate of title, except for vehicles. None of the Collateral owned by it is of a type for which security interests or liens may be perfected by filing under any federal statute except for Patents, Trademarks and Copyrights held by such Grantor and described in Exhibit D.

3.13 No Financing Statements, Security Agreements. No financing statement or security agreement describing all or any portion of the Collateral which has not lapsed or been terminated naming such Grantor as debtor has been filed or is of record in any jurisdiction except (a) for financing statements or security agreements naming the Administrative Agent on behalf of the Secured Parties as the secured party and (b) for financing statements which have been filed without the consent of the Grantor and with respect to which no Lien has been created and (c) as permitted by Section 4.1(f).

3.14 Pledged Collateral.

(a) Exhibit E sets forth a complete and accurate (in all material respects) list of all Pledged Collateral owned by such Grantor. Such Grantor is the direct, sole beneficial owner and sole holder of record of the Pledged Collateral listed on Exhibit E as being owned by it, free and clear of any Liens, except for the security interest granted to the Administrative Agent, for the benefit of the Secured Parties hereunder, and any Liens permitted under Section 6.02 of the Credit Agreement. Such Grantor further represents and warrants that (i) all Pledged Collateral owned by it constituting an Equity Interest of a Subsidiary of a Grantor has been (to the extent such concepts are relevant with respect to such Pledged Collateral) duly authorized and validly issued, and is fully paid and non-assessable, (ii) with respect to any certificates delivered to the Administrative Agent representing an Equity Interest, either such certificates are Securities as defined in Article 8 of the UCC as a result of actions by the issuer or otherwise, or, if such certificates are not Securities, such Grantor has so informed the Administrative Agent so that the Administrative Agent may take steps to perfect its security interest therein as a General Intangible, (iii) all such Pledged Collateral held by a securities intermediary will be covered by a control agreement among such Grantor, the securities intermediary and the Administrative Agent pursuant to which the Administrative Agent has Control within the time period set forth in this Security Agreement and (iv) to such Grantor's knowledge all Pledged Collateral which represents Indebtedness owed to such Grantor has been duly authorized, authenticated or issued and delivered by the issuer of such Indebtedness, is the legal, valid and binding obligation of such issuer and such issuer is not in default thereunder.

(b) In addition, (i) to such Grantor's knowledge none of the Pledged Collateral owned by it has been issued or transferred in violation of the securities registration, securities disclosure or similar laws of any jurisdiction to which such issuance or transfer may be subject, (ii) except for restrictions and limitations imposed by the Loan Documents or securities laws generally, the Pledged Collateral is and will continue to be freely transferable and assignable, (iii) there are existing no options, warrants, calls or commitments of any character whatsoever relating to such Pledged Collateral or which obligate the issuer of any Equity Interest included in the Pledged Collateral to issue additional Equity Interests, and none of the Pledged Collateral is subject to any right of first refusal, shareholders agreement, charter or by-law provisions or contractual restriction of any nature that would materially prohibit, impair, delay or otherwise affect the pledge of such Pledged Collateral hereunder, the sale or

disposition thereof pursuant hereto or the exercise by the Administrative Agent of rights and remedies hereunder and (iv) no consent, approval, authorization, or other action by, and no giving of notice, filing with, any governmental authority or any other Person is required for the pledge by such Grantor of such Pledged Collateral pursuant to this Security Agreement or for the execution, delivery and performance of this Security Agreement by such Grantor, or for the exercise by the Administrative Agent of the voting or other rights provided for in this Security Agreement or for the remedies in respect of the Pledged Collateral pursuant to this Security Agreement, except as may be required in connection with such disposition by laws affecting the offering and sale of securities generally.

(c) Except as set forth in Exhibit E, or as expressly permitted pursuant to Section 6.06 of the Credit Agreement, such Grantor owns 100% of the issued and outstanding Equity Interests which constitute Pledged Collateral owned by it and none of the Pledged Collateral which represents Indebtedness owed to such Grantor is subordinated in right of payment to other Indebtedness or subject to the terms of an indenture.

(d) Pledged Debt. Each Intercompany Note and, to the knowledge of such Grantor, any other Pledged Debt constitutes the legal, valid and binding obligation of the obligor with respect thereto, enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and subject to an implied covenant of good faith and fair dealing.

ARTICLE IV
COVENANTS

From the date of this Security Agreement, and thereafter until this Security Agreement is terminated, each Grantor agrees that:

4.1 General.

(a) Collateral Records. Such Grantor will maintain complete and accurate (in all material respects) books and records with respect to the Collateral owned by it, and furnish to the Administrative Agent, such reports relating to such Collateral as the Administrative Agent shall from time to time reasonably request.

(b) Authorization to File Financing Statements; Ratification. Such Grantor hereby authorizes the Administrative Agent to file, and if requested will deliver to the Administrative Agent all financing statements and other documents and take such other actions as may from time to time be reasonably requested by the Administrative Agent in order to maintain a first perfected security interest in and, if applicable, Control of, the Collateral owned by such Grantor. Any financing statement filed by the Administrative Agent may be filed in any filing office in any UCC jurisdiction and may (i) indicate such Grantor's Collateral (1) as all assets of the Grantor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC of such jurisdiction, or (2) by any other description which reasonably approximates the description contained in this Security Agreement, and (ii) contain any other information reasonably required by part 5 of Article 9 of the UCC filing office acceptance of any financing statement or amendment, including (A) whether such Grantor is an organization, the type of organization and any organization identification number issued to such Grantor, and (B) in the case of a financing statement filed as a fixture filing or indicating such Grantor's Collateral as as-extracted collateral or timber to be cut, a reasonably sufficient description of real property to which the Collateral relates. Such Grantor also agrees to furnish any such information to the Administrative Agent promptly upon request. Such Grantor also ratifies its authorization for the

Administrative Agent to have filed in any UCC jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof.

(c) Intellectual Property Filings. The Administrative Agent is further authorized to file with the United States Patent and Trademark Office or United States Copyright Office (or any successor office or any similar office in any other country) such documents, including Intellectual Property Security Agreements, as may be necessary or advisable for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by each Grantor, without the signature of any Grantor, and naming any Grantor or the Grantors as debtors and the Administrative Agent as secured party.

(d) Further Assurances. Such Grantor will, if so reasonably requested by the Administrative Agent, furnish to the Administrative Agent, as often as the Administrative Agent reasonably requests, statements and schedules further identifying and describing the Collateral owned by it and such other reports and information in connection with its Collateral as the Administrative Agent may reasonably request, in each case subject to the terms and conditions of the Credit Agreement, all in such detail as the Administrative Agent may specify. Such Grantor shall, at its own expense, use commercially reasonable efforts to defend title to the Collateral against all persons and to defend the security interest of the Administrative Agent and the other Secured Parties in the Collateral and the priority thereof against any Lien not expressly permitted hereunder.

(e) Disposition of Collateral. Such Grantor will not sell, lease, license or otherwise dispose of the Collateral owned by it except for dispositions expressly permitted pursuant to Section 6.04 of the Credit Agreement.

(f) Liens. Except as expressly permitted pursuant to Section 6.02 of the Credit Agreement, such Grantor will not create, incur, or suffer to exist any Lien on the Collateral owned by it except (i) the security interest created by this Security Agreement, and (ii) other Permitted Encumbrances.

(g) Other Financing Statements. Such Grantor will not authorize the filing of any financing statement naming it as debtor covering all or any portion of the Collateral owned by it, except with respect to Liens permitted by Section 4.1(f). Such Grantor acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to any financing statement other than with respect to any Lien permitted by Section 4.1(f), without the prior written consent of the Administrative Agent, subject to such Grantor's rights under Section 9-509(d)(2) of the UCC.

(h) Locations. Such Grantor will not (i) maintain any Collateral, in an aggregate value in excess of $500,000, owned by it at any location other than those locations listed on Exhibit A (ii) otherwise change, or add to, such locations without the Administrative Agent's prior written consent (such consent not to be unreasonably withheld, delayed or conditioned) as required by the Credit Agreement (and if the Administrative Agent gives such consent, such Grantor will use commercially reasonable efforts to obtain a Collateral Access Agreement for each such location to the extent required by the Credit Agreement), or (iii) change its principal place of business or chief executive office from the location identified on Exhibit A, other than as permitted by the Credit Agreement.

(i) Compliance with Terms. Such Grantor will perform and comply with all obligations in respect of the Collateral owned by it and all agreements to which it is a party or by which it is bound relating to such Collateral, except where a failure to do so, individually or in the aggregate would not reasonably be expected to result in a material adverse effect.

4.2 Receivables.

(a) Certain Agreements on Receivables. Such Grantor will not make or agree to make any discount, credit, rebate or other reduction in the original amount owing on a Receivable or accept in satisfaction of a Receivable less than the original amount thereof, except that, prior to the occurrence of an Event of Default, such Grantor may reduce the amount of Accounts arising from the sale of Inventory in accordance with its present policies and in the ordinary course of business, or as otherwise permitted pursuant to the Credit Agreement.

(b) Collection of Receivables. Except as otherwise provided in this Security Agreement and the Credit Agreement, such Grantor will use commercially reasonable efforts to collect and enforce, at such Grantor's sole expense, all amounts due or hereafter due to such Grantor under the Receivables owned by it, in accordance with its present policies and in the ordinary course of business.

(c) Delivery of Invoices. Such Grantor will deliver to the Administrative Agent as soon as reasonably practicable upon its request after the occurrence and during the continuation of an Event of Default duplicate invoices with respect to each Account owned by it bearing such language of assignment as the Administrative Agent shall reasonably specify.

(d) Disclosure of Counterclaims on Receivables. If (i) any discount, credit or agreement to make a rebate or to otherwise reduce the amount owing on any Receivable owned by such Grantor other than in accordance with its present policies and in the ordinary course of business or as otherwise expressly permitted pursuant to the Credit Agreement exists or (ii) if, to the knowledge of such Grantor, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened in writing with respect to any such Receivable, such Grantor will promptly disclose such fact to the Administrative Agent in writing. Such Grantor shall send the Administrative Agent a copy of each credit memorandum in excess of $50,000 (or such higher amount as may be agreed to by the Administrative Agent in its Permitted Discretion) promptly after it is issued, and such Grantor shall promptly report each such credit memo and each of the facts required to be disclosed to the Administrative Agent in accordance with this Section 4.2(d) on the Borrowing Base Certificate submitted by the Borrower.

(e) Electronic Chattel Paper. Such Grantor shall grant the Administrative Agent Control of all electronic chattel paper in accordance with the UCC and all "transferable records" as defined in each of the Uniform Electronic Transactions Act and the Electronic Signatures in Global and National Commerce Act.

4.3 Inventory and Equipment.

(a) Maintenance of Goods. Such Grantor will use commercially reasonable efforts to maintain, preserve, protect and keep its Inventory and the Equipment in reasonably good repair and working and saleable condition, except for damaged or defective goods arising in the ordinary course of such Grantor's business and except for ordinary wear and tear in respect of the Equipment.

(b) Returned Inventory. If an Account Debtor returns any Inventory to such Grantor when no Event of Default exists, then such Grantor shall promptly determine the reason for such return and shall issue a credit memorandum to the Account Debtor in the appropriate amount. Such Grantor shall immediately report to the Administrative Agent any return involving an amount in excess of $100,000 (or such higher amount as may be agreed to by the Administrative Agent in its Permitted Discretion). Each such report shall indicate the purported reasons for the returns and the locations and condition of the returned Inventory. In the event any Account Debtor returns Inventory to such Grantor when an Event of Default exists, such Grantor, upon the reasonable request of the Administrative Agent,

shall: (i) hold the returned Inventory in trust for the Administrative Agent; (ii) segregate all returned Inventory from all of its other property; (iii) dispose of the returned Inventory solely according to the Administrative Agent's written instructions; and (iv) not issue any credits or allowances with respect thereto without the Administrative Agent's prior written consent. All returned Inventory shall be subject to the Administrative Agent's Liens thereon. Whenever any Inventory is returned, the related Account shall be deemed ineligible to the extent of the amount owing by the Account Debtor with respect to such returned Inventory.

(c) Inventory Count; Perpetual Inventory System. Such Grantor will conduct a physical count of its Inventory at least once per fiscal year, and after and during the continuation of an Event of Default, at such other times as the Administrative Agent reasonably requests. Such Grantor, at its own expense, shall deliver to the Administrative Agent the results of each physical verification, which such Grantor has made, or has caused any other Person to make on its behalf, of all or any material portion of its Inventory. Such Grantor will maintain a perpetual inventory reporting system at all times.

(d) Equipment. Such Grantor shall promptly inform the Administrative Agent of any additions to or deletions from its Equipment which individually have a fair market value in excess of $1,000,000 and $2,000,000 in the aggregate. Such Grantor shall not permit any Equipment to become a fixture with respect to real property or to become an accession with respect to other personal property with respect to which real or personal property the Administrative Agent does not have a Lien. Such Grantor will not, without the Administrative Agent's prior written consent (such consent not to be unreasonably withheld or delayed), alter or remove any identifying symbol or number on any of such Grantor's Equipment constituting Collateral.

(e) Property. If at any time any Grantor shall take a security interest in any property of an Account Debtor or any other Person with a fair market value in excess of $150,000 to secure payment and performance of an Account, such Grantor shall promptly assign such security interest to the Administrative Agent; provided that the aggregate fair market value of all property in which the Grantors have taken a security interest and have not assigned such security interests to the Administrative Agent shall not exceed $300,000. Such assignment need not be filed of public record unless necessary to continue the perfected status of the security interest against creditors of and transferees from the Account Debtor or other Person granting the security interest.

4.4 Certification of Limited Liability Company and Limited Partnership Interests. Each interest in any limited liability company or limited partnership controlled by any Grantor and pledged hereunder shall be represented by a certificate, shall be a "security" within the meaning of Article 8 of the New York UCC and shall be governed by Article 8 of the New York UCC; provided, however, that in the case of any limited liability company or limited partnership that, in either case, is formed or acquired by a Grantor after the Effective Date, Borrower shall cause interests in such limited liability company or limited partnership to be represented by a certificate, to be a "security" within the meaning of Article 8 of the New York UCC and to be governed by Article 8 of the New York UCC, in each case not later than 20 Business Days (or such later dates from time to time consented to by the Administrative Agent in its reasonable discretion) after the date of formation or acquisition thereof, as applicable.

4.5 Delivery of Instruments, Securities, Chattel Paper and Documents. Such Grantor will (a) deliver to the Administrative Agent promptly upon execution of this Security Agreement the originals of all Chattel Paper, Securities and Instruments (including certificates evidencing Pledged Debt in an aggregate principal amount exceeding $250,000 and Pledged Equity Interests) constituting Collateral owned by it (if any then exist), in each case duly endorsed by an effective indorsement (within the meaning of Section 8-107 of the UCC), or accompanied by undated instruments of transfer duly endorsed by such an effective endorsement, in each case, to the Administrative Agent or in blank, (b) hold in trust

for the Administrative Agent upon receipt and as soon as reasonably practicable thereafter deliver to the Administrative Agent any such Chattel Paper, Securities and Instruments (including certificates evidencing Pledged Debt in an aggregate principal amount exceeding $250,000 and Pledged Equity Interests) constituting Collateral in each case duly endorsed by an effective indorsement (within the meaning of Section 8-107 of the UCC), or accompanied by undated instruments of transfer duly endorsed by such an effective endorsement, in each case, to the Administrative Agent or in blank, (c) upon the Administrative Agent's reasonable request, deliver to the Administrative Agent (and thereafter hold in trust for the Administrative Agent upon receipt and promptly deliver to the Administrative Agent) any Document evidencing or constituting Collateral and (d) upon the Administrative Agent's reasonable request, deliver to the Administrative Agent a duly executed amendment to this Security Agreement, in the form of Exhibit G hereto (the "Amendment"), pursuant to which such Grantor will pledge such additional Collateral. Such Grantor hereby authorizes the Administrative Agent to attach each Amendment to this Security Agreement and agrees that all additional Collateral owned by it set forth in such Amendment shall be considered to be part of the Collateral.

4.6 Uncertificated Pledged Collateral. Such Grantor will use commercially reasonable efforts to cause the appropriate issuers (and, if held with a securities intermediary, such securities intermediary) of uncertificated securities or other types of Pledged Collateral owned by it not represented by certificates to mark their books and records with the numbers and face amounts of all such uncertificated securities or other types of Pledged Collateral not represented by certificates and all rollovers and replacements therefor to reflect the Lien of the Administrative Agent granted pursuant to this Security Agreement. With respect to any Pledged Collateral owned by it on the Effective Date, such Grantor will use commercially reasonable efforts to cause (a) the issuers of uncertificated securities which are Pledged Collateral and (b) any securities intermediary which is the holder of any such Pledged Collateral, to cause the Administrative Agent to have and retain Control over such Pledged Collateral. Without limiting the foregoing, such Grantor will, (i) with respect to any such Pledged Collateral held with a securities intermediary as of the Effective Date, cause such securities intermediary, no later than 90 days after the Effective Date (or such later date as the Administrative Agent shall agree), to enter into a control agreement with the Administrative Agent, in form and substance reasonably satisfactory to the Administrative Agent, giving the Administrative Agent Control and (ii) otherwise with respect to any Pledged Collateral, prior to the opening or replacement of any Securities Account (including the replacement of any Securities Account in place as of the Effective Date) or any applicable securities intermediary receiving any Pledged Collateral, enter into a control agreement with such securities intermediary and the Administrative Agent, in form and substance reasonably satisfactory to the Administrative Agent, giving the Administrative Agent Control.

4.7 Pledged Collateral.

(a) Changes in Capital Structure of Issuers. Except as expressly permitted pursuant to Section 6.03 of the Credit Agreement, such Grantor will not (i) permit any issuer of an Equity Interest constituting Pledged Collateral owned by it to dissolve, merge, liquidate, retire any of its Equity Interests or other Instruments or Securities evidencing ownership, reduce its capital, sell or encumber all or substantially all of its assets (except for Permitted Encumbrances, Liens expressly permitted pursuant to Section 6.02 of the Credit Agreement and sales of assets permitted pursuant to Section 4.1(e)) or merge or consolidate with any other entity, or (ii) vote any such Pledged Collateral in favor of any of the foregoing.

(b) Issuance of Additional Securities. Except as expressly permitted pursuant to Section 6.12 of the Credit Agreement, such Grantor will not permit the issuer of an Equity Interest constituting Pledged Collateral owned by it to issue additional Equity Interests, any right to receive the same or any right to receive earnings, except to such Grantor.

(c) Equity Interests. No Grantor will permit any Equity Interest which is included within the Collateral to constitute a Security, nor will any Grantor allow any issuer of any such Equity Interest to take any action to have such interests treated as a Security, unless (i) all certificates or other documents constituting such Security have promptly been delivered to the Administrative Agent and such Security is properly defined as such under Article 8 of the UCC of the applicable jurisdiction, whether as a result of actions by the issuer thereof or otherwise, or (ii) the Administrative Agent has entered into a control agreement with the issuer of such Security or with a securities intermediary relating to such Security and such Security is defined as such under Article 8 of the UCC of the applicable jurisdiction, whether as a result of actions by the issuer thereof or otherwise.

(d) Registration of Pledged Collateral. Upon the occurrence and during the continuance of an Event of Default, such Grantor will permit any registerable Pledged Collateral owned by it to be registered in the name of the Administrative Agent or its nominee at any time at the option of the Required Secured Parties.

(e) Less than Wholly-Owned Pledged Collateral. With respect to any issuer of Pledged Collateral consisting of partnership interests or limited liability company interests in which the Grantor owns less than 100% of such Equity Interests, promptly upon the occurrence of the Term Loan Obligations Payment Date, Grantor shall use commercially reasonable efforts to cause the partnership agreement or limited liability company agreement of such entity to be amended to include the following provision: "Notwithstanding any other provision of this agreement, in the event that an Event of Default shall have occurred under that certain Amended and Restated Credit Agreement (as such Amended and Restated Credit Agreement may be amended, modified, supplemented or restated from time to time) dated as of September 30, 2010 among Clopay Ames True Temper Holding Corp., as Borrower, Clopay Ames True Temper LLC, as Holdings, the subsidiaries of Holdings from time to time party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, the lenders from time to time parties thereto and the Administrative Agent shall exercise any of its rights and remedies with respect to equity interests in the company, then each [member][partner] hereby irrevocably consents to the transfer of any equity interest and all related management and other rights in the company to the Administrative Agent or any designee of the Administrative Agent. The Administrative Agent is a third-party beneficiary of this provision and this provision cannot be amended or repealed without the consent of the Administrative Agent until the Credit Agreement has been discharged in full."

(f) Exercise of Rights in Pledged Collateral.

(i) Without in any way limiting the foregoing and subject to clause (ii) below, such Grantor shall have the right to exercise all voting rights or other rights relating to the Pledged Collateral owned by it for all purposes not inconsistent with this Security Agreement, the Credit Agreement or any other Loan Document; provided, however, that no vote or other right shall be exercised or action taken which would have the effect of materially impairing the rights of the Administrative Agent in respect of such Pledged Collateral.

(ii) Such Grantor will permit the Administrative Agent or its nominee at any time after the occurrence and during the continuance of an Event of Default to solely and exclusively exercise all voting rights or other rights relating to the Pledged Collateral owned by it, including, without limitation, exchange, subscription or any other rights, privileges, or options pertaining to any Equity Interest or Investment Property constituting such Pledged Collateral as if it were the absolute owner thereof.

(iii) Such Grantor shall be entitled to collect and receive for its own use all cash dividends and interest paid in respect of the Pledged Collateral owned by it to the extent not

in violation of the Credit Agreement other than any of the following distributions and payments (collectively referred to as the " Excluded Payments"): (A) dividends and interest paid or payable other than in cash in respect of such Pledged Collateral, and instruments and other property received, receivable or otherwise distributed in respect of, or in exchange for, any Pledged Collateral; (B) dividends and other distributions paid or payable in cash in respect of such Pledged Collateral in connection with a partial or total liquidation or dissolution or in connection with a reduction of capital, capital surplus or paid-in capital of an issuer; and (C) cash paid, payable or otherwise distributed, in respect of principal of, or in redemption of, or in exchange for, such Pledged Collateral; provided, however, that until actually paid, all rights to such distributions shall remain subject to the Lien created by this Security Agreement. Upon the occurrence and during the continuance of an Event of Default, then all Stock Rights, including all rights of such Grantor to dividends, interest, principal or other distributions, shall cease and thereupon become vested in the Administrative Agent, which shall have the sole and exclusive right to retain such dividends, interest, principal or other distributions.

(iv) All Excluded Payments and all other distributions in respect of any of the Pledged Collateral owned by such Grantor, whenever paid or made, shall be promptly made subject to the Lien of the Administrative Agent in the same manner as if it were Collateral on the date hereof and, in the case of any Excluded Payment described in clause 4.7(d)(iii)(A), shall be forthwith delivered to the Administrative Agent in the same form and so received with any necessary endorsement.

4.8 Intellectual Property.

(a) Such Grantor will use its reasonable efforts to secure all consents and approvals necessary or appropriate for the grant of the security interest for the benefit of the Administrative Agent of any License held by such Grantor and to enforce the security interests granted hereunder.

(b) Such Grantor shall notify the Administrative Agent promptly if it knows that any application or registration relating to any Patent, Trademark or Copyright (now or hereafter existing) may become abandoned or dedicated excluding the expiration by its terms of any License or the expiration at the conclusion of its maximum statutory term of any Patent or Copyright owned by Grantor, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court, (but excluding any non-final office actions or similar non-final actions or proceedings) regarding such Grantor's ownership of any Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(c) Within 30 Business Days after which, either directly or through any agent, employee, licensee or designee, any Grantor files an application for the registration of any Patent, Trademark or Copyright with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency, such Grantor shall report such filing to the Administrative Agent, and, upon the reasonable request of the Administrative Agent, such Grantor shall execute and deliver any and all security agreements as the Administrative Agent may reasonably request to evidence the Administrative Agent's first priority security interest on such Patent, Trademark or Copyright, and the General Intangibles of such Grantor relating thereto or represented thereby.

(d) Such Grantor shall take all actions necessary or reasonably requested by the Administrative Agent to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of its Patents, Trademarks and Copyrights (now or hereafter existing), including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and

opposition and interference and cancellation proceedings, except as such Grantor may otherwise determine in the exercise of its reasonable business judgment.

(e) Such Grantor shall, unless it shall reasonably determine that such Patent, Trademark or Copyright is not material to the conduct of its business or operations, sue for infringement, misappropriation or dilution, except as such Grantor may determine in its reasonable business judgment, to recover any and all damages for such infringement, misappropriation or dilution, or shall take such other reasonable and necessary actions as the Administrative Agent shall deem appropriate under the circumstances to protect such material Patent, Trademark or Copyright. In the event that such Grantor institutes suit because any of its Patents, Trademarks or Copyrights constituting Collateral is infringed upon, or misappropriated or diluted by a third party, such Grantor shall comply with Section 4.8.

4.9 Commercial Tort Claims. Such Grantor shall promptly, and in any event within ten Business Days after the same is acquired by it, notify the Administrative Agent of any commercial tort claim (as defined in the UCC) in excess of $200,000 acquired by it and, unless the Administrative Agent otherwise consents, such Grantor shall enter into a supplement to this Security Agreement, in the form of Exhibit G hereto, granting to Administrative Agent a first priority security interest in such commercial tort claim.

4.10 Letter-of-Credit Rights. If such Grantor is or becomes the beneficiary of a letter of credit, with a stated value in excess of $200,000, it shall promptly, and in any event within ten Business Days after becoming aware that it is a beneficiary, notify the Administrative Agent thereof and cause the issuer and/or confirmation bank to (i) consent to the assignment of any Letter-of-Credit Rights to the Administrative Agent and (ii) agree to direct all payments thereunder to a Deposit Account at the Administrative Agent or subject to a Control Agreement for application to the Secured Obligations, in accordance with Section 2.18 of the Credit Agreement, all in form and substance reasonably satisfactory to the Administrative Agent.

4.11 Federal, State or Municipal Claims. Such Grantor will promptly notify the Administrative Agent of any Collateral which constitutes a material claim against the United States government or any state or local government or any instrumentality or agency thereof, the assignment of which claim is restricted by federal, state or municipal law.

4.12 No Interference. Such Grantor agrees that it will not interfere with any right, power and remedy of the Administrative Agent provided for in this Security Agreement or now or hereafter existing at law or in equity or by statute or otherwise, or the exercise or beginning of the exercise by the Administrative Agent of any one or more of such rights, powers or remedies.

4.13 Insurance. (a) In the event any Collateral is located in any area that has been designated by the Federal Emergency Management Agency as a "Special Flood Hazard Area", such Grantor shall use commercially reasonable efforts to purchase and maintain flood insurance on such Collateral (including any personal property which is located on any real property leased by such Loan Party within a "Special Flood Hazard Area"). The amount of flood insurance required by this Section shall be in an amount equal to the lesser of the total Commitments or the total replacement cost value of the improvements.

(b) All insurance policies required hereunder and under Section 5.06 of the Credit Agreement shall name the Administrative Agent (for the benefit of the Secured Parties) as an additional insured or as loss payee, as applicable, and shall contain loss payable clauses or mortgagee clauses, through endorsements in form and substance reasonably satisfactory to the Administrative Agent, which provide that: (i) all proceeds thereunder with respect to any Collateral shall be payable to the Administrative Agent; (ii) no such insurance shall be affected by any act or neglect of the insured or

owner of the property described in such policy; and (iii) such policy and loss payable or mortgagee clauses may be canceled, amended, or terminated only upon at least thirty days prior written notice given to the Administrative Agent.

(c) All premiums on any such insurance shall be paid when due by such Grantor, and copies of the policies delivered to the Administrative Agent. If such Grantor fails to obtain any insurance as required by this Section, the Administrative Agent may obtain such insurance at the Borrowers' expense. By purchasing such insurance, the Administrative Agent shall not be deemed to have waived any Default arising from the Grantor's failure to maintain such insurance or pay any premiums therefor.

4.14 Collateral Access Agreements. Such Grantor shall use commercially reasonable efforts to obtain a Collateral Access Agreement, from the lessor of each leased property, mortgagee of owned property or bailee or consignee with respect to any warehouse, processor or converter facility or other location where Equipment or Inventory in excess of $500,000 is stored or located, which agreement or letter shall provide access rights, contain a waiver or subordination of all Liens or claims that the landlord, mortgagee, bailee or consignee may assert against the Collateral at that location, and shall otherwise be reasonably satisfactory in form and substance to the Administrative Agent. With respect to such locations or warehouse space leased as of the Effective Date and thereafter at which Inventory or Equipment valued in excess of $500,000 is maintained, if the Administrative Agent has not received a Collateral Access Agreement within 90 days after the Effective Date (or, if later, as of the date such location is acquired or leased), the Borrowers' Eligible Inventory at that location shall be subject to such Rent Reserves as may be established by the Administrative Agent in its Permitted Discretion. Such Grantor shall timely and fully pay and perform its obligations in all material respects under all leases and other agreements with respect to each leased location or third party warehouse where any material Collateral is or may be located.

4.15 Change of Name or Location; Change of Fiscal Year. Such Grantor shall not (a) change its name as it appears in official filings in the state of its incorporation or organization, (b) change its chief executive office, principal place of business, mailing address, corporate offices or warehouses or locations at which Collateral is held or stored, or the location of its records concerning the Collateral as set forth in the Security Agreement, (c) change the type of entity that it is, (d) change its organization identification number, if any, issued by its state of incorporation or other organization, or (e) change its state of incorporation or organization, in each case, unless the Administrative Agent shall have received at least thirty days prior written notice of such change and the Administrative Agent shall have acknowledged in writing that either (1) such change will not adversely affect the validity, perfection or priority of the Administrative Agent's security interest in the Collateral, or (2) any reasonable action requested by the Administrative Agent in connection therewith has been completed or taken (including any action to continue the perfection of any Liens in favor of the Administrative Agent, on behalf of Secured Parties, in any Collateral), provided that, any new location shall be in the continental U.S.

ARTICLE V
REMEDIES

5.1 Remedies.

(a) Upon the occurrence of an Event of Default that is continuing, the Administrative Agent may, with the concurrence or at the direction of the Required Secured Parties, exercise any or all of the following rights and remedies:

(i) those rights and remedies provided in this Security Agreement, the Credit Agreement, or any other Loan Document; provided that, this Section 5.1(a) shall not be

understood to limit any rights or remedies available to the Administrative Agent and the Secured Parties prior to an Event of Default;

(ii) those rights and remedies available to a secured party under the UCC (whether or not the UCC applies to the affected Collateral) or under any other applicable law (including, without limitation, any law governing the exercise of a bank's right of setoff or bankers' lien) when a debtor is in default under a security agreement;

(iii) give notice of sole control or any other instruction under any Control Agreement or and other control agreement with any securities intermediary and take any action therein with respect to such Collateral;

(iv) without notice (except as specifically provided in Section 8.1 or elsewhere herein), demand or advertisement of any kind to any Grantor or any other Person, enter the premises of any Grantor where any Collateral is located (through self-help and without judicial process) to collect, receive, assemble, process, appropriate, sell, lease, assign, grant an option or options to purchase or otherwise dispose of, deliver, or realize upon, the Collateral or any part thereof in one or more parcels at public or private sale or sales (which sales may be adjourned or continued from time to time with or without notice and may take place at any Grantor's premises or elsewhere), for cash, on credit or for future delivery without assumption of any credit risk, and upon such other terms as the Administrative Agent may deem commercially reasonable; and

(v) concurrently with written notice to the applicable Grantor, transfer and register in its name or in the name of its nominee the whole or any part of the Pledged Collateral, to exchange certificates or instruments representing or evidencing Pledged Collateral for certificates or instruments of smaller or larger denominations, to exercise the voting and all other rights as a holder with respect thereto, to collect and receive all cash dividends, interest, principal and other distributions made thereon and to otherwise act with respect to the Pledged Collateral as though the Administrative Agent was the outright owner thereof.

(b) The Administrative Agent, on behalf of the Secured Parties, may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

(c) The Administrative Agent shall have the right upon any such public sale or sales and, to the extent permitted by law, upon any such private sale or sales, to purchase for the benefit of the Secured Parties, the whole or any part of the Collateral so sold, free of any right of equity redemption, which equity redemption the Grantor hereby expressly releases.

(d) Until the Administrative Agent is able to effect a sale, lease, or other disposition of Collateral, the Administrative Agent shall have the right to hold or use Collateral, or any part thereof, to the extent that it deems appropriate for the purpose of preserving Collateral or its value or for any other purpose deemed appropriate by the Administrative Agent. The Administrative Agent may, if it so elects, seek the appointment of a receiver or keeper to take possession of Collateral and to enforce any of the Administrative Agent's remedies (for the benefit of the Secured Parties), with respect to such appointment without prior notice or hearing as to such appointment.

(e) If, after the Credit Agreement has terminated by its terms and all of the Obligations have been paid in full, there remain Secured Obligations outstanding, the Required Secured

Parties may exercise the remedies provided in this Section 5.1 upon the occurrence of any event which would allow or require the termination or acceleration of any Secured Obligations pursuant to the terms of a Specified Swap Agreement or a Specified Banking Service Agreement.

(f) Notwithstanding the foregoing, neither the Administrative Agent nor the Secured Parties shall be required to (i) make any demand upon, or pursue or exhaust any of their rights or remedies against, any Grantor, any other obligor, guarantor, pledgor or any other Person with respect to the payment of the Secured Obligations or to pursue or exhaust any of their rights or remedies with respect to any Collateral therefor or any direct or indirect guarantee thereof, (ii) marshal the Collateral or any guarantee of the Secured Obligations or to resort to the Collateral or any such guarantee in any particular order, or (iii) effect a public sale of any Collateral.

(g) Each Grantor recognizes that the Administrative Agent may be unable to effect a public sale of any or all the Pledged Collateral and may be compelled to resort to one or more private sales thereof in accordance with clause (a) above. Each Grantor also acknowledges that any private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private. The Administrative Agent shall be under no obligation to delay a sale of any of the Pledged Collateral for the period of time necessary to permit any Grantor or the issuer of the Pledged Collateral to register such securities for public sale under the Securities Act of 1933, as amended, or under applicable state securities laws, even if the applicable Grantor and the issuer would agree to do so.

5.2 Grantor's Obligations Upon an Event of Default. Upon the request of the Administrative Agent after the occurrence and during the continuation of an Event of Default, each Grantor will:

(a) assemble and make available to the Administrative Agent the Collateral and all books and records relating thereto at any place or places reasonably specified by the Administrative Agent, whether at a Grantor's premises or elsewhere;

(b) permit the Administrative Agent, by the Administrative Agent's representatives and agents, to enter, occupy and use any premises where all or any part of the Collateral, or the books and records relating thereto, or both, are located, to take possession of all or any part of the Collateral or the books and records relating thereto, or both, to remove all or any part of the Collateral or the books and records relating thereto, or both, and to conduct sales of the Collateral, without any obligation to pay the Grantor for such use and occupancy;

(c) prepare and file, or use commercially reasonable efforts to cause an issuer of Pledged Collateral to prepare and file, with the Securities and Exchange Commission or any other applicable government agency, registration statements, a prospectus and such other documentation in connection with the Pledged Collateral as the Administrative Agent may reasonably request, all in form and substance reasonably satisfactory to the Administrative Agent, and furnish to the Administrative Agent, or use commercially reasonable efforts to cause an issuer of Pledged Collateral to furnish to the Administrative Agent, any information regarding the Pledged Collateral in such detail as the Administrative Agent may reasonably specify;

(d) take, or cause an issuer of Pledged Collateral to take, any and all actions necessary to register or qualify the Pledged Collateral to enable the Administrative Agent to consummate a public sale or other disposition of the Pledged Collateral; and

(e) at its own expense, cause the independent certified public accountants then engaged by each Grantor to prepare and deliver to the Administrative Agent and each Lender, at any time, and from time to time, promptly upon the Administrative Agent's request, the following reports with respect to the applicable Grantor: (i) a reconciliation of all Accounts; (ii) an aging of all Accounts; (iii) trial balances; and (iv) a test verification of such Accounts.

5.3 Grant of Intellectual Property License. For the purpose of enabling the Administrative Agent to exercise the rights and remedies under this Article V at such time as the Administrative Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby (a) grants to the Administrative Agent, for the benefit of Secured Parties, an irrevocable, nonexclusive license (exercisable after the occurrence and during the continuance of an Event of Default without payment of royalty or other compensation to any Grantor) to use, license or sublicense any Intellectual Property rights now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof and (b) irrevocably agrees that after the occurrence and during the continuance of an Event of Default the Administrative Agent may sell any of such Grantor's Inventory directly to any person, including without limitation persons who have previously purchased the Grantor's Inventory from such Grantor and in connection with any such sale or other enforcement of the Administrative Agent's rights under this Security Agreement, may sell Inventory which bears any Trademark owned by or licensed to such Grantor and any Inventory that is covered by any Copyright owned by or licensed to such Grantor and may finish any work in process and affix any Trademark owned by or licensed to such Grantor and sell such Inventory as provided herein.

ARTICLE VI
ACCOUNT VERIFICATION; ATTORNEY IN FACT; PROXY

6.1 Account Verification. The Administrative Agent may after the occurrence and during the continuance of an Event of Default, in the Administrative Agent's own name, in the name of a nominee of the Administrative Agent, or in the name of any Grantor communicate (by mail, telephone, facsimile or otherwise) with the Account Debtors of any such Grantor, parties to contracts with any such Grantor and obligors in respect of Instruments of any such Grantor to verify with such Persons, to the Administrative Agent's satisfaction, the existence, amount, terms of, and any other matter relating to, Accounts, Instruments, Chattel Paper, payment intangibles and/or other Receivables.

6.2 Authorization for Secured Party to Take Certain Action.

(a) After the occurrence and during the continuation of an Event of Default (except in the case of clauses (i) and (iii) below which can be performed by the Administrative Agent at any time), each Grantor irrevocably authorizes the Administrative Agent at any time and from time to time in the sole discretion of the Administrative Agent and appoints the Administrative Agent as its attorney in fact (i) to execute on behalf of such Grantor as debtor and to file financing statements necessary or desirable in the Administrative Agent's sole discretion to perfect and to maintain the perfection and priority of the Administrative Agent's security interest in the Collateral, (ii) to endorse and collect any cash proceeds of the Collateral, (iii) to file a carbon, photographic or other reproduction of this Security Agreement or any financing statement with respect to the Collateral as a financing statement and to file any other financing statement or amendment of a financing statement (which does not add new collateral or add a debtor) in such offices as the Administrative Agent in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the Administrative Agent's security interest in the Collateral, (iv) to contact and enter into one or more agreements with the issuers of uncertificated securities which are Pledged Collateral or with securities intermediaries holding Pledged Collateral as may be necessary or advisable to give the Administrative Agent Control over such Pledged

Collateral, (v) to apply the proceeds of any Collateral received by the Administrative Agent to the Secured Obligations as provided in Section 7.3, (vi) to discharge past due taxes, assessments, charges, fees or Liens on the Collateral (except for such Liens as are specifically permitted hereunder), (vii) to contact Account Debtors for any reason, (viii) to demand payment or enforce payment of the Receivables and any other Collateral in the name of the Administrative Agent or such Grantor and to endorse any and all checks, drafts, and other instruments for the payment of money relating to the Receivables and any other Collateral, (ix) to sign such Grantor's name on any invoice or bill of lading relating to the Receivables and any other Collateral, drafts against any Account Debtor of the Grantor, assignments and verifications of Receivables, (x) to exercise all of such Grantor's rights and remedies with respect to the collection of the Receivables and any other Collateral, (xi) to settle, adjust, compromise, extend or renew the Receivables, (xii) to settle, adjust or compromise any legal proceedings brought to collect Receivables, (xiii) to prepare, file and sign such Grantor's name on a proof of claim in bankruptcy or similar document against any Account Debtor of such Grantor, (xiv) to prepare, file and sign such Grantor's name on any notice of Lien, assignment or satisfaction of Lien or similar document in connection with the Receivables, (xv) to change the address for delivery of mail addressed to such Grantor to such address as the Administrative Agent may designate and to receive, open and dispose of all mail addressed to such Grantor, and (xvi) to do all other acts and things necessary to carry out this Security Agreement; and such Grantor agrees to reimburse the Administrative Agent on demand for any payment made or any expense incurred by the Administrative Agent in connection with any of the foregoing; provided that, this authorization shall not relieve such Grantor of any of its obligations under this Security Agreement or under the Credit Agreement.

(b) All acts of said attorney or designee are hereby ratified and approved. The powers conferred on the Administrative Agent, for the benefit of the Secured Parties, under this Section 6.2 are solely to protect the Administrative Agent's interests in the Collateral and shall not impose any duty upon the Administrative Agent or any Lender to exercise any such powers. The Administrative Agent agrees that, except for the powers granted in Section 6.2(a)(i) and Section 6.2(a)(ii), it shall not exercise any power or authority granted to it unless an Event of Default has occurred and is continuing.

6.3 Proxy. EACH GRANTOR HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS THE ADMINISTRATIVE AGENT AS ITS PROXY AND ATTORNEY-IN-FACT (AS SET FORTH IN SECTION 6.2 ABOVE) WITH RESPECT TO ITS PLEDGED COLLATERAL, INCLUDING THE RIGHT TO VOTE SUCH PLEDGED COLLATERAL, WITH FULL POWER OF SUBSTITUTION TO DO SO. IN ADDITION TO THE RIGHT TO VOTE ANY SUCH PLEDGED COLLATERAL, THE APPOINTMENT OF THE ADMINISTRATIVE AGENT AS PROXY AND ATTORNEY-IN-FACT SHALL INCLUDE THE RIGHT TO EXERCISE ALL OTHER RIGHTS, POWERS, PRIVILEGES AND REMEDIES TO WHICH A HOLDER OF SUCH PLEDGED COLLATERAL WOULD BE ENTITLED (INCLUDING GIVING OR WITHHOLDING WRITTEN CONSENTS OF SHAREHOLDERS, CALLING SPECIAL MEETINGS OF SHAREHOLDERS AND VOTING AT SUCH MEETINGS). SUCH PROXY SHALL BE EFFECTIVE, AUTOMATICALLY AND WITHOUT THE NECESSITY OF ANY ACTION (INCLUDING ANY TRANSFER OF ANY SUCH PLEDGED COLLATERAL ON THE RECORD BOOKS OF THE ISSUER THEREOF) BY ANY PERSON (INCLUDING THE ISSUER OF SUCH PLEDGED COLLATERAL OR ANY OFFICER OR AGENT THEREOF), UPON THE OCCURRENCE AND DURING THE CONTINUATION OF AN EVENT OF DEFAULT.

6.4 Nature of Appointment; Limitation of Duty . THE APPOINTMENT OF THE ADMINISTRATIVE AGENT AS PROXY AND ATTORNEY-IN-FACT IN THIS ARTICLE VI IS COUPLED WITH AN INTEREST AND SHALL BE IRREVOCABLE UNTIL THE DATE ON WHICH THIS SECURITY AGREEMENT IS TERMINATED IN ACCORDANCE WITH SECTION 8.14. NOTWITHSTANDING ANYTHING CONTAINED HEREIN, NEITHER THE ADMINISTRATIVE

AGENT, NOR ANY LENDER, NOR ANY OF THEIR RESPECTIVE AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR REPRESENTATIVES SHALL HAVE ANY DUTY TO EXERCISE ANY RIGHT OR POWER GRANTED HEREUNDER OR OTHERWISE OR TO PRESERVE THE SAME AND SHALL NOT BE LIABLE FOR ANY FAILURE TO DO SO OR FOR ANY DELAY IN DOING SO, EXCEPT IN RESPECT OF DAMAGES ATTRIBUTABLE SOLELY TO THEIR OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT AS FINALLY DETERMINED BY A COURT OF COMPETENT JURISDICTION; PROVIDED THAT, IN NO EVENT SHALL THEY BE LIABLE FOR ANY PUNITIVE, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES.

ARTICLE VII
COLLECTION AND APPLICATION OF COLLATERAL PROCEEDS; DEPOSIT ACCOUNTS

7.1 Deposit Accounts.

(a) Within 90 days after the Effective Date (or such later date as the Administrative Agent shall agree), each Grantor shall (i) execute and deliver to the Administrative Agent Control Agreement for each Deposit Account (other than accounts with a balance not exceeding $25,000 individually or $100,000 in the aggregate) maintained by such Grantor into which all cash, checks or other similar payments relating to or constituting payments made in respect of Receivables will be deposited into a depositary account (such Deposit Account, a "Controlled Account"), which Controlled Accounts are identified as such on Exhibit B, and (ii) establish lock box service (the "Lock Boxes") with the bank(s) set forth in Exhibit B, which lock boxes shall be subject to irrevocable lockbox agreements in the form provided by or otherwise reasonably acceptable to the Administrative Agent and shall be accompanied by an acknowledgment by the bank where the Lock Box is located of the Lien of the Administrative Agent granted hereunder and of irrevocable instructions to wire all amounts collected therein to Controlled Accounts (a "Lock Box Agreement"). After the Effective Date, each Grantor will comply with the terms of Section 7.2.

(b) Within 90 days after the Effective Date (or such later date as the Administrative Agent shall agree), each Grantor shall direct all of its Account Debtors and all Buying Groups to forward payments directly to Lock Boxes subject to Lock Box Agreements. The Administrative Agent shall have sole access to the Lock Boxes at all times and each Grantor shall take all actions necessary to grant the Administrative Agent such sole access. At no time shall any Grantor remove any item from a Lock Box without the Administrative Agent's prior written consent. If any Grantor should refuse or neglect to notify any Account Debtor to forward payments directly to a Lock Box subject to a Lock Box Agreement after notice from the Administrative Agent, the Administrative Agent shall, notwithstanding the language set forth in Section 6.2(b), be entitled to make such notification directly to Account Debtor. If notwithstanding the foregoing instructions, any Grantor receives any proceeds of any Receivables, such Grantor shall receive such payments as the Administrative Agent's trustee, and shall immediately deposit all cash, checks or other similar payments related to or constituting payments made in respect of Receivables received by it to a Controlled Account. All funds deposited into any Lock Box subject to a Lock Box Agreement will be swept daily into Controlled Accounts and, to the extent provided in Section 7.3, swept on a daily basis into a collection account maintained by the Borrower with the Administrative Agent (the "Collection Account"). The Administrative Agent shall hold and apply funds received into the Collection Account as provided by the terms of Section 7.3.

7.2 Covenant Regarding New Deposit Accounts; Lock Boxes. Before opening or replacing any Controlled Account or other Deposit Account (other than accounts with a balance not exceeding $25,000 individually or $100,000 in the aggregate), or establishing a new Lock Box, each Grantor shall cause each bank or financial institution in which it seeks to open (i) a Deposit Account, to enter into a

Control Agreement with the Administrative Agent in order to give the Administrative Agent Control of such Deposit Account, or (ii) a Lock Box, to enter into a Lock Box Agreement with the Administrative Agent Control of the Lock Box. In the case of Deposit Accounts or Lock Boxes maintained with Lenders, the terms of such letter shall be subject to the provisions of the Credit Agreement regarding setoffs.

7.3 Application of Proceeds; Deficiency.

(a) Collections which are deposited into Controlled Accounts shall, at any time during a Cash Dominion Period, be applied (and allocated) by the Administrative Agent in accordance with Section 2.10(b) of the Credit Agreement. At any time that an Event of Default has occurred and is continuing, the Administrative Agent may require all other cash proceeds of the Collateral, which are not required to be applied to the Obligations pursuant to Section 2.11 of the Credit Agreement, to be deposited in a special non-interest bearing cash collateral account with the Administrative Agent and held there as security for the Secured Obligations. No Grantor shall have any control whatsoever over said cash collateral account. Any such proceeds of the Collateral shall be applied in the order set forth in Section 2.18 of the Credit Agreement unless a court of competent jurisdiction shall otherwise direct. The balance, if any, after all of the Secured Obligations have been satisfied, shall be deposited by the Administrative Agent into the Borrower's general operating account with the Administrative Agent. The Grantors shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all Secured Obligations, including any attorneys' fees and other expenses incurred by Administrative Agent or any Lender to collect such deficiency.

(b) Upon any sale of Collateral by the Administrative Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of proceeds by the Administrative Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Administrative Agent or such officer or be answerable in any way for the misapplication thereof.

ARTICLE VIII
GENERAL PROVISIONS

8.1 Waivers. Each Grantor hereby waives notice (to the maximum extent permitted by applicable law) of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made. To the extent such notice may not be waived under applicable law, any notice made shall be deemed reasonable if sent to the Grantors, addressed as set forth in Article IX, at least ten days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made. To the maximum extent permitted by applicable law, each Grantor waives all claims, damages, and demands against the Administrative Agent or any Lender arising out of the repossession, retention or sale of the Collateral, except such as arise solely out of the gross negligence or willful misconduct of the Administrative Agent or such Lender as finally determined by a court of competent jurisdiction. To the extent it may lawfully do so, each Grantor absolutely and irrevocably waives and relinquishes the benefit and advantage of, and covenants not to assert against the Administrative Agent or any Lender, any valuation, stay, appraisal, extension, moratorium, redemption or similar laws and any and all rights or defenses it may have as a surety now or hereafter existing which, but for this provision, might be applicable to the commercially reasonable sale of any Collateral made under the judgment, order or decree of any court, or privately under the power of sale conferred by this Security Agreement, or otherwise. Except as otherwise specifically provided herein, each Grantor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral.

8.2 Limitation on Administrative Agent's and Lenders' Duty with Respect to the Collateral. The Administrative Agent shall have no obligation to clean-up or otherwise prepare the Collateral for sale. The Administrative Agent and each Lender shall use reasonable care with respect to the Collateral in its possession or under its control. Neither the Administrative Agent nor any Lender shall have any other duty as to any Collateral in its possession or control or in the possession or control of any agent or nominee of the Administrative Agent or such Lender, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto. To the extent that applicable law imposes duties on the Administrative Agent to exercise remedies in a commercially reasonable manner, each Grantor acknowledges and agrees that each of the following, in and of itself, it is commercially unreasonable for the Administrative Agent to do: (i) to fail to incur expenses deemed significant by the Administrative Agent to prepare Collateral for disposition or otherwise to transform raw material or work in process into finished goods or other finished products for disposition, (ii) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (iii) to fail to exercise collection remedies against Account Debtors or other Persons obligated on Collateral or to remove Liens on or any adverse claims against Collateral, (iv) to exercise collection remedies against Account Debtors and other Persons obligated on Collateral directly or through the use of collection agencies and other collection specialists, (v) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (vi) to contact other Persons, whether or not in the same business as such Grantor, for expressions of interest in acquiring all or any portion of such Collateral, (vii) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the Collateral is of a specialized nature, (viii) to dispose of Collateral by utilizing internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capacity of doing so, or that match buyers and sellers of assets, (ix) to dispose of assets in wholesale rather than retail markets, (x) to disclaim disposition warranties, such as title, possession or quiet enjoyment, (xi) to purchase insurance or credit enhancements to insure the Administrative Agent against risks of loss, collection or disposition of Collateral or to provide to the Administrative Agent a guaranteed return from the collection or disposition of Collateral, or (xii) to the extent deemed appropriate by the Administrative Agent, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist the Administrative Agent in the collection or disposition of any of the Collateral. Each Grantor acknowledges that the purpose of this Section 8.2 is to provide non-exhaustive indications of what actions or omissions by the Administrative Agent would not, in and of themselves be commercially unreasonable in the Administrative Agent's exercise of remedies against the Collateral and that other actions or omissions by the Administrative Agent shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 8.2. Without limitation upon the foregoing, nothing contained in this Section 8.2 shall be construed to grant any rights to any Grantor or to impose any duties on the Administrative Agent that would not have been granted or imposed by this Security Agreement or by applicable law in the absence of this Section 8.2.

8.3 Compromises and Collection of Collateral. The Grantors and the Administrative Agent recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Receivables, that certain of the Receivables may be or become uncollectible in whole or in part and that the expense and probability of success in litigating a disputed Receivable may exceed the amount that reasonably may be expected to be recovered with respect to a Receivable. In view of the foregoing, each Grantor agrees that the Administrative Agent may at any time and from time to time, if an Event of Default has occurred and is continuing, compromise with the obligor on any Receivable, accept in full payment of any Receivable such amount as the Administrative Agent in its sole discretion shall determine or abandon any Receivable, and any such action by the Administrative Agent shall be commercially reasonable so long as the Administrative Agent acts in good faith based on information known to it at the time it takes any such action.

8.4 Secured Party Performance of Debtor Obligations. Without having any obligation to do so, the Administrative Agent may perform or pay any obligation which any Grantor has agreed to perform or pay in this Security Agreement and which such Grantor has failed to timely perform or pay and the Grantors shall reimburse the Administrative Agent for any amounts paid by the Administrative Agent pursuant to this Section 8.4. The Grantors' obligation to reimburse the Administrative Agent pursuant to the preceding sentence shall be a Secured Obligation payable on demand.

8.5 Specific Performance of Certain Covenants. Each Grantor acknowledges and agrees that a breach of any of the covenants contained in Sections 4.1(e), 4.1(f), 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.11, 4.13, 4.14, 4.15 or 5.2 or in Article VII will cause irreparable injury to the Administrative Agent and the Lenders, that the Administrative Agent and the Lenders have no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of the Administrative Agent or the Lenders to seek and obtain specific performance of other obligations of the Grantors contained in this Security Agreement, that the covenants of the Grantors contained in the Sections referred to in this Section 8.5 shall be specifically enforceable against the Grantors.

8.6 Dispositions Not Authorized. No Grantor is authorized to sell or otherwise dispose of the Collateral except as set forth in Section 4.1(e) and notwithstanding any course of dealing between any Grantor and the Administrative Agent or other conduct of the Administrative Agent, no authorization to sell or otherwise dispose of the Collateral (except as set forth in Section 4.1(e)) shall be binding upon the Administrative Agent or the Lenders unless such authorization is in writing signed by the Administrative Agent with the consent or at the direction of the Required Secured Parties, such consent not to be unreasonably withheld, delayed or conditioned.

8.7 No Waiver; Amendments; Cumulative Remedies. No delay or omission of the Administrative Agent or any Secured Parties to exercise any right or remedy granted under this Security Agreement shall impair such right or remedy or be construed to be a waiver of any Default or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver, amendment or other variation of the terms, conditions or provisions of this Security Agreement whatsoever shall be valid unless in writing signed by the Administrative Agent with the concurrence or at the direction of the Secured Parties and then only to the extent in such writing specifically set forth. All rights and remedies contained in this Security Agreement or by law afforded shall be cumulative and all shall be available to the Administrative Agent and the Secured Parties until the Secured Obligations have been paid in full.

8.8 Limitation by Law; Severability of Provisions. All rights, remedies and powers provided in this Security Agreement may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions of this Security Agreement are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they shall not render this Security Agreement invalid, unenforceable or not entitled to be recorded or registered, in whole or in part. Any provision in this Security Agreement that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of this Security Agreement are declared to be severable.

8.9 Reinstatement. This Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against any Grantor for liquidation or reorganization, should any Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of any Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time

payment and performance of the Secured Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

8.10 Benefit of Agreement. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of the Grantors, the Administrative Agent and the Lenders and their respective successors and assigns (including all persons who become bound as a debtor to this Security Agreement), except that no Grantor shall have the right to assign its rights or delegate its obligations under this Security Agreement or any interest herein, without the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed). No sales of participations, assignments, transfers, or other dispositions of any agreement governing the Secured Obligations or any portion thereof or interest therein shall in any manner impair the Lien granted to the Administrative Agent, for the benefit of the Secured Parties, hereunder.

8.11 Survival of Representations. All representations and warranties of the Grantors contained in this Security Agreement shall survive the execution and delivery of this Security Agreement.

8.12 Taxes and Expenses. Any taxes (including income taxes) payable or ruled payable by Federal or State authority in respect of this Security Agreement shall be paid by the Grantors, together with interest and penalties, if any. The Grantors shall reimburse the Administrative Agent for any and all out-of-pocket expenses (including reasonable attorneys', auditors' and accountants' fees and reasonable time charges of attorneys, paralegals, auditors and accountants) paid or incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, collection and enforcement of this Security Agreement and in the audit, analysis, administration, collection, preservation or sale of the Collateral (including the expenses and charges associated with any periodic or special audit of the Collateral authorized pursuant to this Security Agreement). Any and all costs and expenses incurred by the Grantors in the performance of actions required pursuant to the terms hereof shall be borne solely by the Grantors.

8.13 Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

8.14 Termination. This Security Agreement shall continue in effect (notwithstanding the fact that from time to time there may be no Secured Obligations outstanding) until (i) the Credit Agreement has terminated pursuant to its express terms and (ii) all of the Secured Obligations have been indefeasibly paid and performed in full (or with respect to any outstanding Letters of Credit, cash collateral has been delivered to the Administrative Agent as required by the Credit Agreement) and no commitments of the Administrative Agent or the Lenders which would give rise to any Secured Obligations are outstanding.

8.15 Entire Agreement. This Security Agreement embodies the entire agreement and understanding between the Grantors and the Administrative Agent relating to the Collateral and supersedes all prior agreements and understandings between the Grantors and the Administrative Agent relating to the Collateral.

8.16 CHOICE OF LAW. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS (AND NOT THE LAW OF

CONFLICTS) OF THE STATE OF NEW YORK, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

8.17 CONSENT TO JURISDICTION. EACH GRANTOR HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY U.S. FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK, NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT AND EACH GRANTOR HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY LENDER TO BRING PROCEEDINGS AGAINST ANY GRANTOR IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY ANY GRANTOR AGAINST THE ADMINISTRATIVE AGENT OR ANY LENDER OR ANY AFFILIATE OF THE AGENT OR ANY LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN NEW YORK, NEW YORK.

8.18 WAIVER OF JURY TRIAL. EACH GRANTOR, THE ADMINISTRATIVE AGENT AND EACH LENDER HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE RELATIONSHIP ESTABLISHED THEREUNDER.

8.19 Indemnity. Each Grantor hereby agrees to indemnify the Collateral Agent and the Lenders, and their respective successors, assigns, agents and employees (each an "Indemnitee"), from and against any and all liabilities, damages, penalties, suits, costs, and expenses of any kind and nature (including, without limitation, all reasonable expenses of litigation or preparation therefor whether or not the Collateral Agent or any Lender is a party thereto) imposed on, incurred by or asserted against the Collateral Agent or the Lenders, or their respective successors, assigns, agents and employees, in any way relating to or arising out of this Security Agreement, or the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Collateral (including, without limitation, latent and other defects, whether or not discoverable by the Collateral Agent or the Lenders or any Grantor, and any claim for Patent, Trademark or Copyright infringement); provided, however, that no Grantor shall have any indemnity obligation under this Section 8.19 to the extent such indemnity obligation arises from the gross negligence or willful misconduct of an Indemnitee, in each case, as determined by a final, non-appealable judgment of a court of competent jurisdiction.

8.20 Counterparts. This Security Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Security Agreement by signing any such counterpart.

ARTICLE IX
NOTICES

9.1 Sending Notices. Any notice required or permitted to be given under this Security Agreement shall be sent by United States mail, telecopier, personal delivery or nationally established

overnight courier service, and shall be deemed received (a) when received, if sent by hand or overnight courier service, or mailed by certified or registered mail notices or (b) when sent, if sent by telecopier (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient), in each case addressed to the Grantors at the notice address set forth on Exhibit A, and to the Administrative Agent and the Lenders at the addresses set forth in accordance with Section 9.01 of the Credit Agreement.

9.2 Change in Address for Notices. Each of the Grantors, the Administrative Agent and the Lenders may change the address for service of notice upon it by a notice in writing to the other parties.

ARTICLE X
THE ADMINISTRATIVE AGENT

JPMorgan Chase Bank, N.A. has been appointed Administrative Agent for the Lenders hereunder pursuant to Article VIII of the Credit Agreement. It is expressly understood and agreed by the parties to this Security Agreement that any authority conferred upon the Administrative Agent hereunder is subject to the terms of the delegation of authority made by the Lenders to the Administrative Agent pursuant to the Credit Agreement, and that the Administrative Agent has agreed to act (and any successor Administrative Agent shall act) as such hereunder only on the express conditions contained in such Article VIII. Any successor Administrative Agent appointed pursuant to Article VIII of the Credit Agreement shall be entitled to all the rights, interests and benefits of the Administrative Agent hereunder.

[Signature Page Follows]

IN WITNESS WHEREOF, the Grantors and the Administrative Agent have executed this Security Agreement as of the date first above written.

GRANTORS:

CLOPAY AMES TRUE TEMPER HOLDING CORP.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY AMES TRUE TEMPER LLC

By: /s/ Seth L. Kaplan
Name: Seth K. Kaplan
Title: Senior Vice President

CLOPAY PLASTIC PRODUCTS COMPANY, INC.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY BUILDING PRODUCTS COMPANY, INC.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY BUILDING PRODUCTS INTERNATIONAL SALES CORPORATION

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Vice President and Treasurer

CLOPAY TRANSPORTATION COMPANY

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY ACQUISITION CORP.

By: /s/ Seth L. Kaplan
Name: Seth K. Kaplan
Title: Senior Vice President

CHATT HOLDINGS INC.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

ATT HOLDING CO.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

AMES TRUE TEMPER, INC.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

AMES U.S. HOLDING CORP.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President, Treasurer and Secretary

AMES TRUE TEMPER PROPERTIES, INC.

By: /s/ David Nuti
Name: David Nuti
Title: CFO and Assistant Secretary

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

By: /s/ Kathleen C. Maggi
Name: Kathleen C. Maggi
Title: Senior Vice President

EXECUTION VERSION

PLEDGE AND SECURITY AGREEMENT

THIS PLEDGE AND SECURITY AGREEMENT dated as of September 30, 2010 (as it may be amended, restated, supplemented and otherwise modified from time to time, this "Security Agreement"), among Clopay Ames True Temper LLC, a Delaware limited liability company ("Holdings"), Clopay Ames True Temper Holding Corp., a Delaware corporation (the "Borrower") and certain subsidiaries of the Borrower listed on Schedule 1 hereto (together with Holdings and the Borrower, the "Grantors"), and Goldman Sachs Lending Partners LLC ("GSLP"), in its capacity as collateral agent (the "Collateral Agent") for the Secured Parties referred to below.

Notwithstanding anything herein to the contrary, the lien and security interest granted pursuant to this Security Agreement and the exercise of any right or remedy hereunder are subject to the provisions of the Intercreditor Agreement dated as of September 30, 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "Intercreditor Agreement"), among the Borrower, Holdings, certain subsidiaries of the Borrower, the Term Loan Representative (as defined therein) and the ABL Representative (as defined therein). In the event of any conflict between the terms of the Intercreditor Agreement and this Security Agreement, the terms of the Intercreditor Agreement shall govern and control.

PRELIMINARY STATEMENT

The Grantors, GSLP, as the Administrative Agent and the Collateral Agent, and the Lenders are entering into a Credit Agreement dated as of September 30, 2010 (as it may be amended or modified from time to time, the " Credit Agreement"). Each Grantor is entering into this Security Agreement in order to induce the Lenders to enter into and extend credit to the Borrower under the Credit Agreement and to secure the Obligations that such Grantor has agreed to guarantee pursuant to Section 7 of the Credit Agreement.

ACCORDINGLY, the Grantors and the Collateral Agent, on behalf of the Secured Parties, hereby agree as follows:

ARTICLE I
DEFINITIONS

1.1 Terms Defined in Credit Agreement. All capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement.

1.2 Terms Defined in UCC. Terms defined in the UCC which are not otherwise defined in this Security Agreement or the Credit Agreement are used herein as defined in the UCC.

1.3 Definitions of Certain Terms Used Herein. As used in this Security Agreement, in addition to the terms defined in the Preliminary Statement, the following terms shall have the following meanings:

"ABL Collateral" shall have the meaning set forth in the Intercreditor Agreement.

"ABL Obligations Payment Date" shall have the meaning set forth in the Intercreditor Agreement.

"Account Debtor" means any Person obligated on an Account.

"Accounts" shall have the meaning set forth in Article 9 of the UCC.

"Article" means a numbered article of this Security Agreement, unless another document is specifically referenced.

"Chattel Paper" shall have the meaning set forth in Article 9 of the UCC.

"Closing Date" means the date of the Credit Agreement.

"Collateral" shall have the meaning set forth in Article II.

"Collateral Access Agreement" means any landlord waiver or other agreement, in form and substance reasonably satisfactory to the Collateral Agent, between the Collateral Agent (and prior to the ABL Obligations Payment Date, the ABL Representative) and any third party (including any bailee, consignee, customs broker, or other similar Person) in possession of any Collateral or any landlord of any Credit Party for any real property where any Collateral is located, as such landlord waiver or other agreement may be amended, restated, or otherwise modified from time to time.

"Collateral Agent" means Goldman Sachs Lending Partners LLC, in its capacity as Collateral Agent for the Secured Parties under the Credit Documents, and its successors and assigns in such capacity as provided in Section 9 of the Credit Agreement.

"Collateral Report" means any certificate, report or other document delivered by any Grantor to the Administrative Agent or any Lender with respect to the Collateral pursuant to any Loan Document.

"Collection Account" shall have the meaning set forth in Section 7.1(b).

"Commercial Tort Claims" shall have the meaning set forth in Article 9 of the UCC.

"Commodity Account" shall have the meaning set forth in Article 9 of the UCC.

"Control" shall have the meaning set forth in Article 8 or, if applicable, in Section 9-104, 9-105, 9-106 or 9-107 of Article 9 of the UCC.

"Controlled Account" shall have the meaning set forth in Section 7.1.

"Control Agreement" means an agreement, in form and substance reasonably satisfactory to the Collateral Agent, among any Credit Party, a banking institution holding such Credit Party's funds, the Collateral Agent and the Collateral Agent under the Existing ABL Agreement with respect to collection and control of all deposits and balances held in a deposit account maintained by any Credit Party with such banking institution.

"Copyrights" means, with respect to any Person, all of such Person's right, title, and interest in and to the following: (a) all copyrights, rights and interests in copyrights, works protectable by copyright, copyright registrations, and copyright applications; (b) all renewals of any of the foregoing; (c) all income, royalties, damages, and payments now or hereafter due and/or payable under any of the foregoing, including, without limitation, damages or payments for past or future infringements for any of

the foregoing; (d) the right to sue for past, present, and future infringements of any of the foregoing; and (e) all rights corresponding to any of the foregoing throughout the world.

"Copyright Security Agreement" shall mean the Copyright Security Agreement substantially in the form of Exhibit H.

"Deposit Accounts" shall have the meaning set forth in Article 9 of the UCC.

"Documents" shall have the meaning set forth in Article 9 of the UCC.

"Equipment" shall have the meaning set forth in Article 9 of the UCC.

"Exhibit" refers to a specific exhibit to this Security Agreement, unless another document is specifically referenced.

"Existing ABL Agreement" means the credit agreement dated as of September 30, 2010, among Clopay Ames True Temper Holding Corp., as borrower, Clopay Ames True Temper LLC, JPMorgan Chase Bank, N.A., and the other lenders party thereto, as in effect on the date hereof.

"Foreign Subsidiary" means any Subsidiary of a Grantor organized under the laws of any jurisdiction outside the United States of America.

"Foreign Subsidiary Voting Stock" means the voting Equity Interests in any first-tier Foreign Subsidiary.

"General Intangibles" shall have the meaning set forth in Article 9 of the UCC.

"Goods" shall have the meaning set forth in Article 9 of the UCC.

"Grantors" shall have the meaning set forth in the preamble.

"Instruments" shall have the meaning set forth in Article 9 of the UCC.

"Insurance" shall mean (i) all insurance policies covering any or all of the Collateral (regardless of whether the Collateral Agent is the loss payee thereof) and (ii) any key man life insurance policies.

"Intellectual Property" means all intellectual property of every kind and nature now owned or hereafter acquired by any Grantor, including inventions, designs, Patents, Copyrights, Licenses, Trademarks, trade secret licenses, confidential or proprietary technical or business information, know-how, show-how or other data or information, software and databases and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and accessions to, and booked and records describing or used in connection with, any of the foregoing.

"Intellectual Property Security Agreements" means the Copyright Security Agreement, the Patent Security Agreement, and the Trademark Security Agreement.

"Intercompany Note" means any promissory note evidencing loans made by any Grantor to Holdings or any of its Subsidiaries.

"Inventory" shall have the meaning set forth in Article 9 of the UCC.

"Investment Accounts" means the Securities Accounts, Commodity Accounts and Deposit Accounts, including any Prepayment Accounts.

"Investment Property" means: (i) all "investment property" as such term is defined in Article 9 of the UCC and (ii) all of the following (regardless of whether classified as investment property under the UCC): all Pledged Equity Interests, Pledged Debt, the Investment Accounts and certificates of deposit.

"Letter-of-Credit Rights" shall have the meaning set forth in Article 9 of the UCC.

"Licenses" means, with respect to any Person, all of such Person's right, title, and interest in and to (a) any and all licensing agreements or similar arrangements in and to its Patents, Copyrights, or Trademarks, (b) all income, royalties, damages, claims, and payments now or hereafter due or payable under and with respect thereto, including, without limitation, damages and payments for past and future breaches thereof, and (c) all rights to sue for past, present, and future breaches thereof.

"Lock Boxes" shall have the meaning set forth in Section 7.1(a).

"Lock Box Agreements" shall have the meaning set forth in Section 7.1(a).

"Patents" means, with respect to any Person, all of such Person's right, title, and interest in and to: (a) any and all patents and patent applications; (b) all inventions and improvements described and claimed therein; (c) all reissues, divisions, continuations, renewals, extensions, and continuations-in-part thereof; (d) all income, royalties, damages, claims, payments and Proceeds now or hereafter due or payable under and with respect thereto, including, without limitation, damages and payments for past and future infringements thereof; (e) all rights to sue for past, present, and future infringements thereof; and (f) all other rights corresponding to any of the foregoing throughout the world.

"Patent Security Agreement" means the Patent Security Agreement substantially in the form of Exhibit I.

"Pledged Collateral" means all Instruments (including without limitation, Pledged Debt), Securities, Pledged Equity Interests and other Investment Property of the Grantors, whether or not physically delivered to the Collateral Agent pursuant to this Security Agreement; provided that in no event shall either the stock of any Immaterial Subsidiary or more than 65% of the total outstanding Foreign Subsidiary Voting Stock of each Foreign Subsidiary be required to be pledged hereunder.

"Pledged Debt" means all Indebtedness owed to any Grantor, whether or not evidenced by any Instrument, including, without limitation, all Indebtedness described on Exhibit E under the heading "Pledged Debt" (as such schedule may be amended or supplemented from time to time), issued by the obligors named therein, the Instruments, if any, evidencing any of the foregoing, and all interest, cash, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the foregoing.

"Pledged Equity Interests" means (i) all Equity Interests owned by a Grantor (including, without limitation, all Equity Interests listed on Exhibit E, as such schedule may be amended or supplemented from time to time), (ii) the certificates if any, representing such Equity Interests and (iii) any other participation or interest in any equity or profits of any business entity including, without limitation, any trusts and all management rights relating to any entity whose equity interests are included as Collateral.

"Prepayment Account" shall have the meaning set forth in the Intercreditor Agreement.

"Proceeds" shall have the meaning set forth in the Intercreditor Agreement.

"Receivables" means the Accounts, Chattel Paper, Investment Property, Instruments and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.

"Requirement of Law" means, as to any Person, the Certificate of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Section" means a numbered section of this Security Agreement, unless another document is specifically referenced.

"Secured Parties" the collective reference to the Administrative Agent, the Lenders, any affiliate of any Lender to which Obligations are owed and any other holder of Obligations.

"Securities Accounts" shall have the meaning set forth in Article 8 of the UCC.

"Security" shall have the meaning set forth in Article 8 of the UCC.

"Stock Rights" means all dividends, instruments or other distributions and any other right or property which the Grantors shall receive or shall become entitled to receive for any reason whatsoever with respect to, in substitution for or in exchange for any Equity Interest constituting Collateral (including any right to receive any Equity Interest).

"Supporting Obligations" shall have the meaning set forth in Article 9 of the UCC.

"Term Collateral" shall have the meaning set forth in the Intercreditor Agreement.

"Trademarks" means, with respect to any Person, all of such Person's right, title, and interest in and to the following: (a) all trademarks (including service marks), trade names, trade dress, and trade styles and the registrations and applications for registration thereof and the goodwill of the business symbolized by the foregoing; (b) all licenses of the foregoing, whether as licensee or licensor; (c) all renewals of the foregoing; (d) all income, royalties, damages, and payments now or hereafter due or payable with respect thereto, including, without limitation, damages, claims, and payments for past and future infringements thereof; (e) all rights to sue for past, present, and future infringements of the foregoing, including the right to settle suits involving claims and demands for royalties owing; and (f) all rights corresponding to any of the foregoing throughout the world.

"Trademark Security Agreement" means the Trademark Security Agreement substantially in the form of Exhibit J.

"UCC" means the Uniform Commercial Code, as in effect from time to time, of the State of New York or of any other state the laws of which are required as a result thereof to be applied in connection with the attachment, perfection or priority of, or remedies with respect to, Collateral Agent's or any Secured Party's Lien on any Collateral.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

ARTICLE II
GRANT OF SECURITY INTEREST

2.1 Each Grantor hereby pledges, assigns and grants to the Collateral Agent, its successors and assigns, on behalf of and for the benefit of the Secured Parties, a security interest in and continuing lien on all of such Grantor's right, title and interest in, to and under all personal property and other assets, whether now owned by or owing to, or hereafter acquired by or arising in favor of such Grantor (including under any trade name or derivations thereof), and whether owned or consigned by or to, or leased from or to, such Grantor, and regardless of where located (all of which will be collectively referred to as the "Collateral"), including:

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Intellectual Property;

(iv) all Documents;

(v) all Equipment;

(vi) all General Intangibles;

(vii) all Goods;

(viii) all Instruments;

(ix) all Inventory;

(x) all Investment Property, other than any stock of any Immaterial Subsidiary and Foreign Subsidiary Voting Stock excluded from the definition of Pledged Collateral;

(xi) all cash or cash equivalents (including Cash Equivalents (as defined in the Credit Agreement));

(xii) all Letter-of-Credit Rights and Supporting Obligations;

(xiii) all Deposit Accounts;

(xiv) Insurance;

(xv) Commercial Tort Claims now or hereafter described on Exhibit E; and

(xvi) all accessions to, substitutions for and replacements, Proceeds (including Stock Rights), insurance proceeds and products of the foregoing, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto and any General Intangibles at any time evidencing or relating to any of the foregoing;

to secure the prompt and complete payment and performance of the Obligations; provided, however, that notwithstanding any of the other provisions set forth in this Article II, this Security Agreement shall not

constitute a grant of a security interest in (i) any leasehold interest in real property, (ii) any property to the extent that such grant of a security interest is prohibited by any Requirement of Law of a Governmental Authority, requires a consent not obtained of any Governmental Authority pursuant to such Requirement of Law or conflicts with or is prohibited by, or constitutes a breach or default under or results in the termination of or requires any consent not obtained under, any contract, license, agreement, instrument or other document evidencing or giving rise to such property or, in the case of any Equity Interests in Persons which are not Subsidiaries of a Grantor, any applicable shareholder or similar agreement among holders of Equity Interests in such Persons, except to the extent that such Requirement of Law or the term in such contract, license, agreement, instrument or other document or shareholder or similar agreement providing for such prohibition, breach, default or termination or requiring such consent is ineffective under applicable law, or (iii) any vehicle subject to a certificate of title statute. It is hereby understood and agreed that any property described in the preceding proviso, and any property that is otherwise expressly excluded from any clause in this section above, and any property specifically excluded from any defined term used in any clause of this section above, shall be excluded from the definition of "Collateral".

2.2 Continuing Liability Under Collateral. Notwithstanding anything herein to the contrary, (i) each Grantor shall remain liable for all obligations under the Collateral and nothing contained herein is intended or shall be a delegation of duties to Collateral Agent or any other Secured Party, (ii) each Grantor shall remain liable under each of the agreements included in the Collateral, to perform all of the obligations undertaken by it thereunder all in accordance with and pursuant to the terms and provisions thereof and neither Collateral Agent nor any Secured Party shall have any obligation or liability under any such agreement by reason of or arising out of this Security Agreement or any other document related hereto nor shall Collateral Agent nor any Secured Party have any obligation to make any inquiry as to the nature or sufficiency of any payment received by it or have any obligation to take any action to collect or enforce any rights under any such agreement included in the Collateral and (iii) the exercise by Collateral Agent of any of its rights hereunder shall not release any Grantor from any of its duties or obligations under the contracts and agreements included in the Collateral.

ARTICLE III
REPRESENTATIONS AND WARRANTIES

Each Grantor represents and warrants to the Collateral Agent and the Lenders that:

3.1 Title, Perfection and Priority. Such Grantor has good and valid rights in or the power to transfer the Collateral and title to the Collateral with respect to which it has purported to grant a security interest hereunder, free and clear of all Liens except for Liens permitted under Section 4.1(f), and has full power and authority to grant to the Collateral Agent the security interest in such Collateral pursuant hereto. When financing statements have been filed in the appropriate offices against such Grantor in the locations listed on Exhibit F, the Collateral Agent will have a fully perfected first priority security interest in that Collateral of the Grantor in which a security interest may be perfected by filing, subject only to Liens permitted under Section 4.1(f).

3.2 Name, Type and Jurisdiction of Organization, Organizational and Identification Numbers. The full legal name of such Grantor, all trade names or other names under which such Grantor currently conducts business, the type of entity of such Grantor, its state of organization, the organizational number issued to it by its state of organization and its federal employer identification number are set forth on Exhibit A.

3.3 Principal Location. Such Grantor's mailing address and the location of its place of business (if it has only one) or its chief executive office (if it has more than one place of business), are disclosed in Exhibit A.

3.4 Collateral Locations. All of such Grantor's locations where any Collateral with an aggregate value in excess of $500,000 is located are listed on Exhibit A. All of said locations are owned by such Grantor except for locations (i) which are leased by the Grantor as lessee and designated in Part VII(b) of Exhibit A and (ii) at which Inventory is held in a public warehouse or is otherwise held by a bailee or on consignment as designated in Part VII(c) of Exhibit A.

3.5 Deposit Accounts. All of such Grantor's Deposit Accounts are listed on Exhibit B.

3.6 Exact Names. Such Grantor's name in which it has executed this Security Agreement is the exact name as it appears in such Grantor's organizational documents, as amended, as filed with such Grantor's jurisdiction of organization. Other than as set forth on Exhibit A, such Grantor has not, during the past five years, been known by or used any other corporate, trade, fictitious or other name, or been a party to any merger or consolidation, or been a party to any acquisition.

3.7 Letter-of-Credit Rights and Chattel Paper. Exhibit C lists all Letter-of-Credit Rights and Chattel Paper of such Grantor. All action by such Grantor reasonably necessary to protect and perfect the Collateral Agent's Lien on each item listed on Exhibit C (including the delivery of all originals and the placement of a legend on all Chattel Paper as required hereunder) has been duly taken. The Collateral Agent will have a fully perfected first priority security interest in the Collateral listed on Exhibit C, subject only to Liens permitted under Section 4.1(f).

3.8 Accounts and Chattel Paper.

(a) The names of the obligors, amounts owing, due dates and other information with respect to its Accounts and Chattel Paper are and will be correctly stated in all material respects in all records of such Grantor relating thereto and in all invoices and Collateral Reports with respect thereto furnished to the Collateral Agent by such Grantor from time to time. As of the time when each Account or each item of Chattel Paper arises, such Grantor shall be deemed to have represented and warranted that such Account or Chattel Paper, as the case may be, and all records relating thereto, are genuine and in all material respects what they purport to be.

(b) With respect to its Accounts, except as specifically disclosed on the most recent Borrowing Base Certificate (as defined in the Existing ABL Agreement), (i) all Accounts are Eligible Accounts (as defined in the Existing ABL Agreement); (ii) all Accounts represent bona fide sales of Inventory or rendering of services to Account Debtors in the ordinary course of such Grantor's business and are not evidenced by a judgment, Instrument or Chattel Paper; (iii) there are no setoffs, claims or disputes existing or asserted in writing with respect thereto and such Grantor has not made any agreement with any Account Debtor for any extension of time for the payment thereof, any compromise or settlement for less than the full amount thereof, any release of any Account Debtor from liability therefor, or any deduction therefrom except a discount or allowance allowed by such Grantor in the ordinary course of its business for prompt payment or otherwise permitted pursuant to the Existing ABL Agreement; (iv) to such Grantor's knowledge, there are no facts, events or occurrences which in any material way impair the validity or enforceability thereof or would reasonably be expected to materially reduce the amount payable thereunder as shown on such Grantor's books and records and any invoices, statements and Collateral Reports with respect thereto; (v) such Grantor has not received any written notice of proceedings or actions which are threatened or pending against any Account Debtor which might result in any material adverse change in such Account Debtor's financial condition; and (vi) such

Grantor has no knowledge that any Account Debtor is unable generally to pay its debts as they become due.

(c) In addition, with respect to all of its Accounts, (i) the amounts shown on all invoices, statements and Collateral Reports with respect thereto are actually owing to such Grantor as indicated thereon and are not in any way contingent; (ii) if applicable, no payments have been or shall be made thereon except payments delivered to a Lock Box or Controlled Account as and to the extent required pursuant to Section 7.1; and (iii) to such Grantor's knowledge, all Account Debtors have the capacity to contract.

3.9 Commercial Tort Claims. All of such Grantor's Commercial Tort Claims, other than any Commercial Tort Claims having a value of less than $200,000 individually and $500,000 in the aggregate, are listed on Exhibit E.

3.10 Inventory. With respect to any of its Inventory scheduled or listed on the most recent Borrowing Base Certificate, (a) such Inventory (other than Inventory in transit) is located at one of such Grantor's locations set forth on Exhibit A, (b) no Inventory (other than Inventory in transit) is now, or shall at any time or times hereafter be stored at any other location except as permitted by Section 4.1(h), (c) such Grantor has good and merchantable title to such Inventory and such Inventory is not subject to any Lien or security interest or document whatsoever except for the Lien granted to the Collateral Agent, for the benefit of the Secured Parties, and except for Permitted Encumbrances and the Lien granted to the Revolving Collateral Agent for the benefit of the Revolving Secured Parties (as defined in the Intercreditor Agreement), (d) except as specifically disclosed in the most recent Borrowing Base Certificate, such Inventory is Eligible Inventory (as defined in the Existing ABL Agreement) of good and merchantable quality, free from any material defects, (e) such Inventory is not subject to any licensing, patent, royalty, trademark, trade name or copyright agreements with any third parties which would require any consent of any third party upon sale or disposition of that Inventory or the payment of any monies to any third party upon such sale or other disposition, (f) such Inventory has been produced in all material respects in accordance with the Federal Fair Labor Standards Act of 1938, as amended, and all applicable rules, regulations and orders thereunder and (g) the completion of manufacture, sale or other disposition of such Inventory by the Collateral Agent following an Event of Default shall not require the consent of any Person and shall not constitute a material breach or default under any contract or agreement to which such Grantor is a party or to which such property is subject.

3.11 Intellectual Property. Other than any "off the shelf", "shrink wrap", or similar license agreements, such Grantor does not have any interest in, or title to, any License or any registration or application to register any Patent, Trademark or Copyright, except as set forth in Exhibit D. This Security Agreement is effective to create a valid and continuing Lien and, upon the giving of value and filing of appropriate financing statements in the offices listed on Exhibit F and Intellectual Property Security Agreements substantially in the form of Exhibit H, Exhibit I and Exhibit J with the United States Copyright Office and the United States Patent and Trademark Office, fully perfected first priority security interests in favor of the Collateral Agent on such Grantor's Patents, Trademarks, Copyrights and Licenses (other than security interests in Patents, Trademarks, Copyrights and Licenses in which the perfection of security interest requires filing outside of the United States), and such perfected security interests in such collateral are enforceable as such as against any and all creditors of and purchasers from such Grantor.

3.12 Filing Requirements. None of its Equipment is covered by any certificate of title, except for vehicles. None of the Collateral owned by it is of a type for which security interests or liens may be perfected by filing under any federal statute except for Patents, Trademarks and Copyrights held by such Grantor and described in Exhibit D.

3.13 No Financing Statements, Security Agreements . No financing statement or security agreement describing all or any portion of the Collateral which has not lapsed or been terminated naming such Grantor as debtor has been filed or is of record in any jurisdiction except (a) for financing statements or security agreements naming the Collateral Agent on behalf of the Secured Parties as the secured party and (b) for financing statements which have been filed without the consent of the Grantor and with respect to which no Lien has been created and (c) as permitted by Section 4.1(f).

3.14 Pledged Collateral.

(a) Exhibit E sets forth a complete and accurate (in all material respects) list of all Pledged Collateral owned by such Grantor. Such Grantor is the direct, sole beneficial owner and sole holder of record of the Pledged Collateral listed on Exhibit E as being owned by it, free and clear of any Liens, except for the security interest granted to the Collateral Agent, for the benefit of the Secured Parties hereunder, and any Liens permitted under Section 6.2 of the Credit Agreement. Such Grantor further represents and warrants that (i) all Pledged Collateral owned by it constituting an Equity Interest of a Subsidiary of a Grantor has been (to the extent such concepts are relevant with respect to such Pledged Collateral) duly authorized and validly issued, and is fully paid and non-assessable, (ii) with respect to any certificates delivered to the Collateral Agent representing an Equity Interest, either such certificates are Securities as defined in Article 8 of the UCC as a result of actions by the issuer or otherwise, or, if such certificates are not Securities, such Grantor has so informed the Collateral Agent so that the Collateral Agent may take steps to perfect its security interest therein as a General Intangible, (iii) all such Pledged Collateral held by a securities intermediary will be covered by a control agreement among such Grantor, the securities intermediary and the Collateral Agent pursuant to which the Collateral Agent has Control within the time period set forth in this Security Agreement and (iv) to such Grantor's knowledge all Pledged Collateral which represents Indebtedness owed to such Grantor has been duly authorized, authenticated or issued and delivered by the issuer of such Indebtedness, is the legal, valid and binding obligation of such issuer and such issuer is not in default thereunder.

(b) In addition, (i) to such Grantor's knowledge none of the Pledged Collateral owned by it has been issued or transferred in violation of the securities registration, securities disclosure or similar laws of any jurisdiction to which such issuance or transfer may be subject, (ii) except for restrictions and limitations imposed by the Credit Documents or securities laws generally, the Pledged Collateral is and will continue to be freely transferable and assignable, (iii) there are existing no options, warrants, calls or commitments of any character whatsoever relating to such Pledged Collateral or which obligate the issuer of any Equity Interest included in the Pledged Collateral to issue additional Equity Interests, and none of the Pledged Collateral is subject to any right of first refusal, shareholders agreement, charter or by-law provisions or contractual restriction of any nature that would materially prohibit, impair, delay or otherwise affect the pledge of such Pledged Collateral hereunder, the sale or disposition thereof pursuant hereto or the exercise by the Collateral Agent of rights and remedies hereunder and (iv) no consent, approval, authorization, or other action by, and no giving of notice, filing with, any governmental authority or any other Person is required for the pledge by such Grantor of such Pledged Collateral pursuant to this Security Agreement or for the execution, delivery and performance of this Security Agreement by such Grantor, or for the exercise by the Collateral Agent of the voting or other rights provided for in this Security Agreement or for the remedies in respect of the Pledged Collateral pursuant to this Security Agreement, except as may be required in connection with such disposition by laws affecting the offering and sale of securities generally.

(c) Except as set forth in Exhibit E, or as expressly permitted pursuant to Section 6.6 of the Credit Agreement, such Grantor owns 100% of the issued and outstanding Equity Interests which constitute Pledged Collateral owned by it and none of the Pledged Collateral which represents

Indebtedness owed to such Grantor is subordinated in right of payment to other Indebtedness or subject to the terms of an indenture.

(d) Pledged Debt. Each Intercompany Note and, to the knowledge of such Grantor, any other Pledged Debt constitutes the legal, valid and binding obligation of the obligor with respect thereto, enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and subject to an implied covenant of good faith and fair dealing.

ARTICLE IV
COVENANTS

From the date of this Security Agreement, and thereafter until this Security Agreement is terminated, each Grantor agrees that:

4.1 General.

(a) Collateral Records. Such Grantor will maintain complete and accurate (in all material respects) books and records with respect to the Collateral owned by it, and furnish to the Collateral Agent, such reports relating to such Collateral as the Collateral Agent shall from time to time reasonably request.

(b) Authorization to File Financing Statements; Ratification . Such Grantor hereby authorizes the Collateral Agent to file, and if requested will deliver to the Collateral Agent all financing statements and other documents and take such other actions as may from time to time be reasonably requested by the Collateral Agent in order to maintain a first perfected security interest in and, if applicable, Control of, the Collateral owned by such Grantor. Any financing statement filed by the Collateral Agent may be filed in any filing office in any UCC jurisdiction and may (i) indicate such Grantor's Collateral (1) as all assets of the Grantor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC of such jurisdiction, or (2) by any other description which reasonably approximates the description contained in this Security Agreement, and (ii) contain any other information reasonably required by part 5 of Article 9 of the UCC filing office acceptance of any financing statement or amendment, including (A) whether such Grantor is an organization, the type of organization and any organization identification number issued to such Grantor, and (B) in the case of a financing statement filed as a fixture filing or indicating such Grantor's Collateral as as-extracted collateral or timber to be cut, a reasonably sufficient description of real property to which the Collateral relates. Such Grantor also agrees to furnish any such information to the Collateral Agent promptly upon request. Such Grantor also ratifies its authorization for the Collateral Agent to have filed in any UCC jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof.

(c) Intellectual Property Filings. The Collateral Agent is further authorized to file with the United States Patent and Trademark Office or United States Copyright Office (or any successor office or any similar office in any other country) such documents, including Intellectual Property Security Agreements, as may be necessary or advisable for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by each Grantor, without the signature of any Grantor, and naming any Grantor or the Grantors as debtors and the Collateral Agent as secured party.

(d) Further Assurances. Such Grantor will, if so reasonably requested by the Collateral Agent, furnish to the Collateral Agent, as often as the Collateral Agent reasonably requests,

statements and schedules further identifying and describing the Collateral owned by it and such other reports and information in connection with its Collateral as the Collateral Agent may reasonably request, in each case subject to the terms and conditions of the Credit Agreement, all in such detail as the Collateral Agent may specify. Such Grantor shall, at its own expense, use commercially reasonable efforts to defend title to the Collateral against all persons and to defend the security interest of the Collateral Agent in the Collateral and the priority thereof against any Lien not expressly permitted hereunder.

(e) Disposition of Collateral. Such Grantor will not sell, lease, license or otherwise dispose of the Collateral owned by it except for dispositions expressly permitted pursuant to Section 6.4 of the Credit Agreement.

(f) Liens. Except as expressly permitted pursuant to Section 6.2 of the Credit Agreement, such Grantor will not create, incur, or suffer to exist any Lien on the Collateral owned by it except (i) the security interest created by this Security Agreement, and (ii) other Permitted Encumbrances.

(g) Other Financing Statements. Such Grantor will not authorize the filing of any financing statement naming it as debtor covering all or any portion of the Collateral owned by it, except with respect to Liens permitted by Section 4.1(f). Such Grantor acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to any financing statement other than with respect to any Lien permitted by Section 4.1(f), without the prior written consent of the Collateral Agent, subject to such Grantor's rights under Section 9-509(d)(2) of the UCC.

(h) Locations. Such Grantor will not (i) maintain any Collateral, in an aggregate value in excess of $500,000, owned by it at any location other than those locations listed on Exhibit A (ii) otherwise change, or add to, such locations without the Collateral Agent's prior written consent (such consent not to be unreasonably withheld, delayed or conditioned) as required by the Credit Agreement (and if the Collateral Agent gives such consent, such Grantor will use commercially reasonable efforts to obtain a Collateral Access Agreement for each such location to the extent required by the Credit Agreement), or (iii) change its principal place of business or chief executive office from the location identified on Exhibit A, other than as permitted by the Credit Agreement.

(i) Compliance with Terms. Such Grantor will perform and comply with all obligations in respect of the Collateral owned by it and all agreements to which it is a party or by which it is bound relating to such Collateral, except where a failure to do so, individually or in the aggregate would not reasonably be expected to result in a material adverse effect.

4.2 Receivables.

(a) Certain Agreements on Receivables. Such Grantor will not make or agree to make any discount, credit, rebate or other reduction in the original amount owing on a Receivable or accept in satisfaction of a Receivable less than the original amount thereof, except that, prior to the occurrence of an Event of Default, such Grantor may reduce the amount of Accounts arising from the sale of Inventory in accordance with its present policies and in the ordinary course of business, or as otherwise permitted pursuant to the Credit Agreement.

(b) Collection of Receivables. Except as otherwise provided in this Security Agreement and the Credit Agreement, such Grantor will use commercially reasonable efforts to collect and enforce, at such Grantor's sole expense, all amounts due or hereafter due to such Grantor under the Receivables owned by it, in accordance with its present policies and in the ordinary course of business.

(c) Delivery of Invoices. Such Grantor will deliver to the Collateral Agent as soon as reasonably practicable upon its request after the occurrence and during the continuation of an Event of Default duplicate invoices with respect to each Account owned by it bearing such language of assignment as the Collateral Agent shall reasonably specify.

(d) Disclosure of Counterclaims on Receivables. If (i) any discount, credit or agreement to make a rebate or to otherwise reduce the amount owing on any Receivable owned by such Grantor other than in accordance with its present policies and in the ordinary course of business or as otherwise expressly permitted pursuant to the Credit Agreement exists or (ii) if, to the knowledge of such Grantor, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened in writing with respect to any such Receivable, such Grantor will promptly disclose such fact to the Collateral Agent in writing.

(e) Electronic Chattel Paper. Such Grantor shall grant the Collateral Agent Control of all electronic chattel paper in accordance with the UCC and all "transferable records" as defined in each of the Uniform Electronic Transactions Act and the Electronic Signatures in Global and National Commerce Act.

4.3 Inventory and Equipment.

(a) Maintenance of Goods. Such Grantor will use commercially reasonable efforts to maintain, preserve, protect and keep its Inventory and the Equipment in reasonably good repair and working and saleable condition, except for damaged or defective goods arising in the ordinary course of such Grantor's business and except for ordinary wear and tear in respect of the Equipment.

(b) Returned Inventory. If an Account Debtor returns any Inventory to such Grantor when no Event of Default exists, then such Grantor shall promptly determine the reason for such return and shall issue a credit memorandum to the Account Debtor in the appropriate amount. Such Grantor shall immediately report to the Collateral Agent any return involving an amount in excess of $100,000 (or such higher amount as may be agreed to by the Collateral Agent in its Permitted Discretion). Each such report shall indicate the purported reasons for the returns and the locations and condition of the returned Inventory. In the event any Account Debtor returns Inventory to such Grantor when an Event of Default exists, such Grantor, upon the reasonable request of the Collateral Agent, shall: (i) hold the returned Inventory in trust for the Collateral Agent; (ii) segregate all returned Inventory from all of its other property; (iii) dispose of the returned Inventory solely according to the Collateral Agent's written instructions; and (iv) not issue any credits or allowances with respect thereto without the Collateral Agent's prior written consent. All returned Inventory shall be subject to the Collateral Agent's Liens thereon. Whenever any Inventory is returned, the related Account shall be deemed ineligible to the extent of the amount owing by the Account Debtor with respect to such returned Inventory.

(c) Inventory Count; Perpetual Inventory System. Such Grantor will conduct a physical count of its Inventory at least once per fiscal year, and after and during the continuation of an Event of Default, at such other times as the Collateral Agent reasonably requests. Such Grantor, at its own expense, shall deliver to the Collateral Agent the results of each physical verification, which such Grantor has made, or has caused any other Person to make on its behalf, of all or any material portion of its Inventory. Such Grantor will maintain a perpetual inventory reporting system at all times.

(d) Equipment. Such Grantor shall promptly inform the Collateral Agent of any additions to or deletions from its Equipment which individually have a fair market value in excess of $1,000,000 and $2,000,000 in the aggregate. Such Grantor shall not permit any Equipment to become a fixture with respect to real property or to become an accession with respect to other personal property

with respect to which real or personal property the Collateral Agent does not have a Lien. Such Grantor will not, without the Collateral Agent's prior written consent (such consent not to be unreasonably withheld or delayed), alter or remove any identifying symbol or number on any of such Grantor's Equipment constituting Collateral.

(e) Property. If at any time any Grantor shall take a security interest in any property of an Account Debtor or any other Person with a fair market value in excess of $150,000 to secure payment and performance of an Account, such Grantor shall promptly assign such security interest to the Collateral Agent; provided that the aggregate fair market value of all property in which the Grantors have taken a security interest and have not assigned such security interests to the Collateral Agent shall not exceed $300,000. Such assignment need not be filed of public record unless necessary to continue the perfected status of the security interest against creditors of and transferees from the Account Debtor or other Person granting the security interest.

4.4 Certification of Limited Liability Company and Limited Partnership Interests. Each interest in any limited liability company or limited partnership controlled by any Grantor and pledged hereunder shall be represented by a certificate, shall be a "security" within the meaning of Article 8 of the New York UCC and shall be governed by Article 8 of the New York UCC; provided, however, that in the case of any limited liability company or limited partnership that, in either case, is formed or acquired by a Grantor after the Closing Date, Borrower shall cause interests in such limited liability company or limited partnership to be represented by a certificate, to be a "security" within the meaning of Article 8 of the New York UCC and to be governed by Article 8 of the New York UCC, in each case not later than 20 Business Days (or such later dates from time to time consented to by the Collateral Agent in its reasonable discretion) after the date of formation or acquisition thereof, as applicable.

4.5 Delivery of Instruments, Securities, Chattel Paper and Documents. Such Grantor will (a) deliver to the Collateral Agent promptly upon execution of this Security Agreement the originals of all Chattel Paper, Securities and Instruments (including certificates evidencing Pledged Debt in an aggregate principal amount exceeding $250,000 and Pledged Equity Interests) constituting Collateral owned by it (if any then exist), in each case duly endorsed by an effective indorsement (within the meaning of Section 8-107 of the UCC), or accompanied by undated instruments of transfer duly endorsed by such an effective endorsement, in each case, to Collateral Agent or in blank, (b) hold in trust for the Collateral Agent upon receipt and as soon as reasonably practicable thereafter deliver to the Collateral Agent any such Chattel Paper, Securities and Instruments (including certificates evidencing Pledged Debt in an aggregate principal amount exceeding $250,000 and Pledged Equity Interests) constituting Collateral in each case duly endorsed by an effective indorsement (within the meaning of Section 8-107 of the UCC), or accompanied by undated instruments of transfer duly endorsed by such an effective endorsement, in each case, to Collateral Agent or in blank, (c) upon the Collateral Agent's reasonable request, deliver to the Collateral Agent (and thereafter hold in trust for the Collateral Agent upon receipt and promptly deliver to the Collateral Agent) any Document evidencing or constituting Collateral and (d) upon the Collateral Agent's reasonable request, deliver to the Collateral Agent a duly executed amendment to this Security Agreement, in the form of Exhibit G hereto (the "Amendment"), pursuant to which such Grantor will pledge such additional Collateral. Such Grantor hereby authorizes the Collateral Agent to attach each Amendment to this Security Agreement and agrees that all additional Collateral owned by it set forth in such Amendment shall be considered to be part of the Collateral.

4.6 Uncertificated Pledged Collateral.

(a) Such Grantor will use commercially reasonable efforts to cause the appropriate issuers (and, if held with a securities intermediary, such securities intermediary) of uncertificated securities or other types of Pledged Collateral owned by it not represented by certificates to mark their

books and records with the numbers and face amounts of all such uncertificated securities or other types of Pledged Collateral not represented by certificates and all rollovers and replacements therefor to reflect the Lien of the Collateral Agent granted pursuant to this Security Agreement. With respect to any Pledged Collateral owned by it on the Closing Date, such Grantor will use commercially reasonable efforts to cause (a) the issuers of uncertificated securities which are Pledged Collateral and (b) any securities intermediary which is the holder of any such Pledged Collateral, to cause the Collateral Agent to have and retain Control over such Pledged Collateral. Without limiting the foregoing, such Grantor will, (i) with respect to any such Pledged Collateral held with a securities intermediary as of the Closing Date, cause such securities intermediary, no later than 90 days after the Closing Date (or such later date as the Collateral Agent shall agree), to enter into a control agreement with the Collateral Agent, in form and substance reasonably satisfactory to the Collateral Agent, giving the Collateral Agent Control and (ii) otherwise with respect to any Pledged Collateral, prior to the opening or replacement of any Securities Account (including the replacement of any Securities Account in place as of the Closing Date) or any applicable securities intermediary receiving any Pledged Collateral, enter into a control agreement with such securities intermediary and the Collateral Agent, in form and substance reasonably satisfactory to the Collateral Agent, giving the Collateral Agent Control.

With respect to any issuer of Pledged Collateral consisting of partnership interests or limited liability company interests in which the Grantor owns less than 100% of such Equity Interests, Grantor shall use its commercially reasonable efforts to cause the partnership agreement or limited liability company agreement of such entity to be amended to include the following provision: "Notwithstanding any other provision of this agreement, in the event that an Event of Default shall have occurred under that certain Credit and Guarantee Agreement (as such Credit and Guarantee Agreement may be amended, modified, supplemented or restated from time to time) dated as of September 30, 2010 among Clopay Ames True Temper Holding Corp., as Borrower, Clopay Ames True Temper LLC, certain subsidiaries of the Borrower, Goldman Sachs Lending Partners LLC, as Administrative Agent and Collateral Agent (together with its successors and assigns, the "Collateral Agent"), and the lenders from time to time parties thereto, and the Collateral Agent shall exercise any of its rights and remedies with respect to equity interests in the company, then each [member][partner] hereby irrevocably consents to the transfer of any equity interest and all related management and other rights in the company to the Collateral Agent or any designee of the Collateral Agent. The Collateral Agent is a third-party beneficiary of this provision and this provision cannot be amended or repealed without the consent of the Collateral Agent until the Credit Agreement has been discharged in full."

4.7 Pledged Collateral.

(a) Changes in Capital Structure of Issuers. Except as expressly permitted pursuant to Section 6.3 of the Credit Agreement, such Grantor will not (i) permit any issuer of an Equity Interest constituting Pledged Collateral owned by it to dissolve, merge, liquidate, retire any of its Equity Interests or other Instruments or Securities evidencing ownership, reduce its capital, sell or encumber all or substantially all of its assets (except for Permitted Encumbrances, Liens expressly permitted pursuant to Section 6.2 of the Credit Agreement and sales of assets permitted pursuant to Section 4.1(e)) or merge or consolidate with any other entity, or (ii) vote any such Pledged Collateral in favor of any of the foregoing.

(b) Issuance of Additional Securities. Except as expressly permitted pursuant to Section 6.12 of the Credit Agreement, such Grantor will not permit the issuer of an Equity Interest constituting Pledged Collateral owned by it to issue additional Equity Interests, any right to receive the same or any right to receive earnings, except to such Grantor.

(c) Equity Interests. No Grantor will permit any Equity Interest which is included within the Collateral to constitute a Security, nor will any Grantor allow any issuer of any such Equity Interest to take any action to have such interests treated as a Security, unless (i) all certificates or other documents constituting such Security have promptly been delivered to the Collateral Agent and such Security is properly defined as such under Article 8 of the UCC of the applicable jurisdiction, whether as a result of actions by the issuer thereof or otherwise, or (ii) the Collateral Agent has entered into a control agreement with the issuer of such Security or with a securities intermediary relating to such Security and such Security is defined as such under Article 8 of the UCC of the applicable jurisdiction whether as a result of actions by the issuer thereof or otherwise.

(d) Registration of Pledged Collateral. Upon the occurrence and during the continuance of an Event of Default, such Grantor will permit any registerable Pledged Collateral owned by it to be registered in the name of the Collateral Agent or its nominee at any time at the option of the Requisite Lenders.

(e) Exercise of Rights in Pledged Collateral.

(i) Without in any way limiting the foregoing and subject to clause (ii) below, such Grantor shall have the right to exercise all voting rights or other rights relating to the Pledged Collateral owned by it for all purposes not inconsistent with this Security Agreement, the Credit Agreement or any other Loan Document; provided, however, that no vote or other right shall be exercised or action taken which would have the effect of materially impairing the rights of the Collateral Agent in respect of such Pledged Collateral.

(ii) Such Grantor will permit the Collateral Agent or its nominee at any time after the occurrence and during the continuance of an Event of Default to solely and exclusively exercise all voting rights or other rights relating to the Pledged Collateral owned by it, including, without limitation, exchange, subscription or any other rights, privileges, or options pertaining to any Equity Interest or Investment Property constituting such Pledged Collateral as if it were the absolute owner thereof.

(iii) Such Grantor shall be entitled to collect and receive for its own use all cash dividends and interest paid in respect of the Pledged Collateral owned by it to the extent not in violation of the Credit Agreement other than any of the following distributions and payments (collectively referred to as the "Excluded Payments"): (A) dividends and interest paid or payable other than in cash in respect of such Pledged Collateral, and instruments and other property received, receivable or otherwise distributed in respect of, or in exchange for, any Pledged Collateral; (B) dividends and other distributions paid or payable in cash in respect of such Pledged Collateral in connection with a partial or total liquidation or dissolution or in connection with a reduction of capital, capital surplus or paid-in capital of an issuer; and (C) cash paid, payable or otherwise distributed, in respect of principal of, or in redemption of, or in exchange for, such Pledged Collateral; provided, however, that until actually paid, all rights to such distributions shall remain subject to the Lien created by this Security Agreement. Upon the occurrence and during the continuance of an Event of Default, then all Stock Rights, including all rights of such Grantor to dividends, interest, principal or other distributions, shall cease and thereupon become vested in the Collateral Agent, which shall have the sole and exclusive right to retain such dividends, interest, principal or other distributions.

(iv) All Excluded Payments and all other distributions in respect of any of the Pledged Collateral owned by such Grantor, whenever paid or made, shall be promptly made subject to the Lien of the Collateral Agent in the same manner as if it were Collateral on the date

hereof and, in the case of any Excluded Payment described in clause 4.7(d)(iii)(A), shall be forthwith delivered to the Collateral Agent in the same form and so received with any necessary endorsement.

4.8 Intellectual Property.

(a) Such Grantor will use its reasonable efforts to secure all consents and approvals necessary or appropriate for the grant of the security interest for the benefit of the Collateral Agent of any License held by such Grantor and to enforce the security interests granted hereunder.

(b) Such Grantor shall notify the Collateral Agent promptly if it knows that any application or registration relating to any Patent, Trademark or Copyright (now or hereafter existing) may become abandoned or dedicated excluding the expiration by its terms of any License or the expiration at the conclusion of its maximum statutory term of any Patent or Copyright owned by Grantor, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court, (but excluding any non-final office actions or similar non-final actions or proceedings) regarding such Grantor's ownership of any Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(c) Within 30 Business Days after which, either directly or through any agent, employee, licensee or designee, any Grantor files an application for the registration of any Patent, Trademark or Copyright with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency, such Grantor shall report such filing to the Collateral Agent, and, upon the reasonable request of the Collateral Agent, such Grantor shall execute and deliver any and all security agreements as the Collateral Agent may reasonably request to evidence the Collateral Agent's first priority security interest on such Patent, Trademark or Copyright, and the General Intangibles of such Grantor relating thereto or represented thereby.

(d) Such Grantor shall take all actions necessary or reasonably requested by the Collateral Agent to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of its Patents, Trademarks and Copyrights (now or hereafter existing), including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings, except as such Grantor may otherwise determine in the exercise of its reasonable business judgment.

(e) Such Grantor shall, unless it shall reasonably determine that such Patent, Trademark or Copyright is not material to the conduct of its business or operations, sue for infringement, misappropriation or dilution, except as such Grantor may determine in its reasonable business judgment, to recover any and all damages for such infringement, misappropriation or dilution, or shall take such other reasonable and necessary actions as the Collateral Agent shall deem appropriate under the circumstances to protect such material Patent, Trademark or Copyright. In the event that such Grantor institutes suit because any of its Patents, Trademarks or Copyrights constituting Collateral is infringed upon, or misappropriated or diluted by a third party, such Grantor shall comply with Section 4.8.

4.9 Commercial Tort Claims. Such Grantor shall promptly, and in any event within ten Business Days after the same is acquired by it, notify the Collateral Agent of any commercial tort claim (as defined in the UCC) in excess of $200,000 acquired by it and, unless the Collateral Agent otherwise consents, such Grantor shall enter into an supplement to this Security Agreement, in the form of Exhibit G hereto, granting to Collateral Agent a first priority security interest in such commercial tort claim.

4.10 Letter-of-Credit Rights. If such Grantor is or becomes the beneficiary of a letter of credit, with a stated value in excess of $200,000, it shall promptly, and in any event within ten Business Days after becoming aware that it is a beneficiary, notify the Collateral Agent thereof and cause the issuer and/or confirmation bank to (i) consent to the assignment of any Letter-of-Credit Rights to the Collateral Agent and (ii) agree to direct all payments thereunder to a Deposit Account at the Collateral Agent or subject to a Control Agreement for application to the Obligations, in accordance with Section 2.18 of the Credit Agreement, all in form and substance reasonably satisfactory to the Collateral Agent.

4.11 Federal, State or Municipal Claims. Such Grantor will promptly notify the Collateral Agent of any Collateral which constitutes a material claim against the United States government or any state or local government or any instrumentality or agency thereof, the assignment of which claim is restricted by federal, state or municipal law.

4.12 No Interference. Such Grantor agrees that it will not interfere with any right, power and remedy of the Collateral Agent provided for in this Security Agreement or now or hereafter existing at law or in equity or by statute or otherwise, or the exercise or beginning of the exercise by the Collateral Agent of any one or more of such rights, powers or remedies.

4.13 Insurance. (a) In the event any Collateral is located in any area that has been designated by the Federal Emergency Management Agency as a "Special Flood Hazard Area", such Grantor shall use commercially reasonable efforts to purchase and maintain flood insurance on such Collateral (including any personal property which is located on any real property leased by such Credit Party within a "Special Flood Hazard Area"). The amount of flood insurance required by this Section shall be in an amount equal to the lesser of the total Commitments or the total replacement cost value of the improvements.

(a) All insurance policies relating to the Collateral required hereunder and under Section 5.06 of the Credit Agreement shall name the Collateral Agent (for the benefit of the Secured Parties) as an additional insured or as loss payee, as applicable, and shall contain loss payable clauses or mortgagee clauses, through endorsements in form and substance reasonably satisfactory to the Collateral Agent, which provide that: (i) all proceeds thereunder with respect to any Collateral shall be payable to the Collateral Agent; (ii) no such insurance shall be affected by any act or neglect of the insured or owner of the property described in such policy; and (iii) such policy and loss payable or mortgagee clauses may be canceled, amended, or terminated only upon at least thirty days prior written notice given to the Collateral Agent.

(b) All premiums on any such insurance shall be paid when due by such Grantor, and copies of the policies delivered to the Collateral Agent. If such Grantor fails to obtain any insurance as required by this Section, the Collateral Agent may obtain such insurance at the Borrowers' expense. By purchasing such insurance, the Collateral Agent shall not be deemed to have waived any Default arising from the Grantor's failure to maintain such insurance or pay any premiums therefor.

4.14 Collateral Access Agreements. Such Grantor shall use commercially reasonable efforts to obtain a Collateral Access Agreement, from the lessor of each leased property, mortgagee of owned property or bailee or consignee with respect to any warehouse, processor or converter facility or other location where Equipment or Inventory in excess of $500,000 is stored or located, which agreement or letter shall provide access rights, contain a waiver or subordination of all Liens or claims that the landlord, mortgagee, bailee or consignee may assert against the Collateral at that location, and shall otherwise be reasonably satisfactory in form and substance to the Collateral Agent. Such Grantor shall timely and fully pay and perform its obligations in all material respects under all leases and other agreements with respect to each leased location or third party warehouse where any material Collateral is or may be located. Such Grantor shall enter into a Collateral Access Agreement with the Revolving

Collateral Agent only if the Collateral Agent is a party to such Collateral Access Agreement with the same rights as the Revolving Collateral Agent unless otherwise reasonably agreed to by the Collateral Agent.

4.15 Change of Name or Location; Change of Fiscal Year. Such Grantor shall not (a) change its name as it appears in official filings in the state of its incorporation or organization, (b) change its chief executive office, principal place of business, mailing address, corporate offices or warehouses or locations at which Collateral is held or stored, or the location of its records concerning the Collateral as set forth in the Security Agreement, (c) change the type of entity that it is, (d) change its organization identification number, if any, issued by its state of incorporation or other organization, or (e) change its state of incorporation or organization, in each case, unless the Collateral Agent shall have received at least thirty days prior written notice of such change and the Collateral Agent shall have acknowledged in writing that either (1) such change will not adversely affect the validity, perfection or priority of the Collateral Agent's security interest in the Collateral, or (2) any reasonable action requested by the Collateral Agent in connection therewith has been completed or taken (including any action to continue the perfection of any Liens in favor of the Collateral Agent, on behalf of Secured Parties, in any Collateral), provided that, any new location shall be in the continental U.S.

ARTICLE V
REMEDIES

5.1 Remedies.

(a) Upon the occurrence of an Event of Default that is continuing, the Collateral Agent may, with the concurrence or at the direction of the Requisite Lenders, exercise any or all of the following rights and remedies:

(i) those rights and remedies provided in this Security Agreement, the Credit Agreement, or any other Loan Document; provided that, this Section 5.1(a) shall not be understood to limit any rights or remedies available to the Collateral Agent and the Secured Parties prior to an Event of Default;

(ii) those rights and remedies available to a secured party under the UCC (whether or not the UCC applies to the affected Collateral) or under any other applicable law (including, without limitation, any law governing the exercise of a bank's right of setoff or bankers' lien) when a debtor is in default under a security agreement;

(iii) give notice of sole control or any other instruction under any Control Agreement or and other control agreement with any securities intermediary and take any action therein with respect to such Collateral;

(iv) without notice (except as specifically provided in Section 8.1 or elsewhere herein), demand or advertisement of any kind to any Grantor or any other Person, enter the premises of any Grantor where any Collateral is located (through self-help and without judicial process) to collect, receive, assemble, process, appropriate, sell, lease, assign, grant an option or options to purchase or otherwise dispose of, deliver, or realize upon, the Collateral or any part thereof in one or more parcels at public or private sale or sales (which sales may be adjourned or continued from time to time with or without notice and may take place at any Grantor's premises or elsewhere), for cash, on credit or for future delivery without assumption of any credit risk, and upon such other terms as the Collateral Agent may deem commercially reasonable; and

(v) concurrently with written notice to the applicable Grantor, transfer and register in its name or in the name of its nominee the whole or any part of the Pledged Collateral, to exchange certificates or instruments representing or evidencing Pledged Collateral for certificates or instruments of smaller or larger denominations, to exercise the voting and all other rights as a holder with respect thereto, to collect and receive all cash dividends, interest, principal and other distributions made thereon and to otherwise act with respect to the Pledged Collateral as though the Collateral Agent was the outright owner thereof.

(b) The Collateral Agent, on behalf of the Secured Parties, may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

(c) The Collateral Agent shall have the right upon any such public sale or sales and, to the extent permitted by law, upon any such private sale or sales, to purchase for the benefit of the Secured Parties, the whole or any part of the Collateral so sold, free of any right of equity redemption, which equity redemption the Grantor hereby expressly releases.

(d) Until the Collateral Agent is able to effect a sale, lease, or other disposition of Collateral, the Collateral Agent shall have the right to hold or use Collateral, or any part thereof, to the extent that it deems appropriate for the purpose of preserving Collateral or its value or for any other purpose deemed appropriate by the Collateral Agent. The Collateral Agent may, if it so elects, seek the appointment of a receiver or keeper to take possession of Collateral and to enforce any of the Collateral Agent's remedies (for the benefit of the Secured Parties), with respect to such appointment without prior notice or hearing as to such appointment.

(e) Notwithstanding the foregoing, neither the Collateral Agent nor the Secured Parties shall be required to (i) make any demand upon, or pursue or exhaust any of their rights or remedies against, any Grantor, any other obligor, guarantor, pledgor or any other Person with respect to the payment of the Obligations or to pursue or exhaust any of their rights or remedies with respect to any Collateral therefor or any direct or indirect guarantee thereof, (ii) marshal the Collateral or any guarantee of the Obligations or to resort to the Collateral or any such guarantee in any particular order, or (iii) effect a public sale of any Collateral.

(f) Each Grantor recognizes that the Collateral Agent may be unable to effect a public sale of any or all the Pledged Collateral and may be compelled to resort to one or more private sales thereof in accordance with clause (a) above. Each Grantor also acknowledges that any private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private. The Collateral Agent shall be under no obligation to delay a sale of any of the Pledged Collateral for the period of time necessary to permit any Grantor or the issuer of the Pledged Collateral to register such securities for public sale under the Securities Act of 1933, as amended, or under applicable state securities laws, even if the applicable Grantor and the issuer would agree to do so.

5.2 Application of Proceeds.

(a) Except as expressly provided elsewhere in this Security Agreement, all proceeds received by the Collateral Agent in respect of any sale of, any collection from, or other realization upon all or any part of the Collateral shall be applied in full or in part by the Collateral Agent against the Obligations in the following order of priority: first, to the payment of all costs and expenses of such sale,

collection or other realization, including reasonable compensation to the Collateral Agent or the Administrative Agent and their respective agents and counsel, and all other expenses, liabilities and advances made or incurred by the Collateral Agent or the Administrative Agent in connection therewith, and all amounts for which the Collateral Agent or the Administrative Agent is entitled to be reimbursed or indemnified hereunder or under any other Credit Document (in its capacity as the Collateral Agent and not as a Lender) and all advances made by the Collateral Agent or the Administrative Agent hereunder or under any other Credit Document for the account of any, and to the payment of all reasonable costs and expenses paid or incurred by the Collateral Agent or the Administrative Agent in connection with the exercise of any right or remedy hereunder or under any other Credit Documents, all in accordance with the terms hereof or thereof; second, to the extent of any excess of such proceeds, to the payment of all other Obligations for the ratable benefit of the Lenders and the Secured Hedge Counterparties; and third, to the extent of any excess of such proceeds, to the payment to or upon the order of the applicable Grantor or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

(b) Upon any sale of Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of proceeds by the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

5.3 Grantor's Obligations Upon an Event of Default. Upon the request of the Collateral Agent after the occurrence and during the continuation of an Event of Default, each Grantor will:

(a) assemble and make available to the Collateral Agent the Collateral and all books and records relating thereto at any place or places reasonably specified by the Collateral Agent, whether at a Grantor's premises or elsewhere;

(b) permit the Collateral Agent, by the Collateral Agent's representatives and agents, to enter, occupy and use any premises where all or any part of the Collateral, or the books and records relating thereto, or both, are located, to take possession of all or any part of the Collateral or the books and records relating thereto, or both, to remove all or any part of the Collateral or the books and records relating thereto, or both, and to conduct sales of the Collateral, without any obligation to pay the Grantor for such use and occupancy;

(c) prepare and file, or use commercially reasonable efforts to cause an issuer of Pledged Collateral to prepare and file, with the Securities and Exchange Commission or any other applicable government agency, registration statements, a prospectus and such other documentation in connection with the Pledged Collateral as the Collateral Agent may reasonably request, all in form and substance reasonably satisfactory to the Collateral Agent, and furnish to the Collateral Agent, or use commercially reasonable efforts to cause an issuer of Pledged Collateral to furnish to the Collateral Agent, any information regarding the Pledged Collateral in such detail as the Collateral Agent may reasonably specify;

(d) take, or cause an issuer of Pledged Collateral to take, any and all actions necessary to register or qualify the Pledged Collateral to enable the Collateral Agent to consummate a public sale or other disposition of the Pledged Collateral; and

(e) at its own expense, cause the independent certified public accountants then engaged by each Grantor to prepare and deliver to the Collateral Agent and each Lender, at any time, and

from time to time, promptly upon the Collateral Agent's request, the following reports with respect to the applicable Grantor: (i) a reconciliation of all Accounts; (ii) an aging of all Accounts; (iii) trial balances; and (iv) a test verification of such Accounts.

5.4 Grant of Intellectual Property License. For the purpose of enabling the Collateral Agent to exercise the rights and remedies under this Article V at such time as the Collateral Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby (a) grants to the Collateral Agent, for the benefit of Secured Parties, an irrevocable, nonexclusive license (exercisable after the occurrence and during the continuance of an Event of Default without payment of royalty or other compensation to any Grantor) to use, license or sublicense any Intellectual Property rights now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof and (b) irrevocably agrees that after the occurrence and during the continuance of an Event of Default the Collateral Agent may sell any of such Grantor's Inventory directly to any person, including without limitation persons who have previously purchased the Grantor's Inventory from such Grantor and in connection with any such sale or other enforcement of the Collateral Agent's rights under this Security Agreement, may sell Inventory which bears any Trademark owned by or licensed to such Grantor and any Inventory that is covered by any Copyright owned by or licensed to such Grantor and the Collateral Agent may finish any work in process and affix any Trademark owned by or licensed to such Grantor and sell such Inventory as provided herein.

ARTICLE VI
ACCOUNT VERIFICATION; ATTORNEY IN FACT; PROXY

6.1 Account Verification. The Collateral Agent may after the occurrence and during the continuance of an Event of Default, in the Collateral Agent's own name, in the name of a nominee of the Collateral Agent, or in the name of any Grantor communicate (by mail, telephone, facsimile or otherwise) with the Account Debtors of any such Grantor, parties to contracts with any such Grantor and obligors in respect of Instruments of any such Grantor to verify with such Persons, to the Collateral Agent's satisfaction, the existence, amount, terms of, and any other matter relating to, Accounts, Instruments, Chattel Paper, payment intangibles and/or other Receivables.

6.2 Authorization for Secured Party to Take Certain Action.

(a) After the occurrence and during the continuation of an Event of Default (except in the case of clauses (i) and (iii) below which can be performed by the Collateral Agent at any time), each Grantor irrevocably authorizes the Collateral Agent at any time and from time to time in the sole discretion of the Collateral Agent and appoints the Collateral Agent as its attorney in fact (i) to execute on behalf of such Grantor as debtor and to file financing statements necessary or desirable in the Collateral Agent's sole discretion to perfect and to maintain the perfection and priority of the Collateral Agent's security interest in the Collateral, (ii) to endorse and collect any cash proceeds of the Collateral, (iii) to file a carbon, photographic or other reproduction of this Security Agreement or any financing statement with respect to the Collateral as a financing statement and to file any other financing statement or amendment of a financing statement (which does not add new collateral or add a debtor) in such offices as the Collateral Agent in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the Collateral Agent's security interest in the Collateral, (iv) to contact and enter into one or more agreements with the issuers of uncertificated securities which are Pledged Collateral or with securities intermediaries holding Pledged Collateral as may be necessary or advisable to give the Collateral Agent Control over such Pledged Collateral, (v) to apply the proceeds of any Collateral received by the Collateral Agent to the Obligations as provided in Section 7.3, (vi) to discharge past due

taxes, assessments, charges, fees or Liens on the Collateral (except for such Liens as are specifically permitted hereunder), (vii) to contact Account Debtors for any reason, (viii) to demand payment or enforce payment of the Receivables and any other Collateral in the name of the Collateral Agent or such Grantor and to endorse any and all checks, drafts, and other instruments for the payment of money relating to the Receivables and any other Collateral, (ix) to sign such Grantor's name on any invoice or bill of lading relating to the Receivables and any other Collateral, drafts against any Account Debtor of the Grantor, assignments and verifications of Receivables, (x) to exercise all of such Grantor's rights and remedies with respect to the collection of the Receivables and any other Collateral, (xi) to settle, adjust, compromise, extend or renew the Receivables, (xii) to settle, adjust or compromise any legal proceedings brought to collect Receivables, (xiii) to prepare, file and sign such Grantor's name on a proof of claim in bankruptcy or similar document against any Account Debtor of such Grantor, (xiv) to prepare, file and sign such Grantor's name on any notice of Lien, assignment or satisfaction of Lien or similar document in connection with the Receivables, (xv) to change the address for delivery of mail addressed to such Grantor to such address as the Collateral Agent may designate and to receive, open and dispose of all mail addressed to such Grantor, and (xvi) to do all other acts and things necessary to carry out this Security Agreement; and such Grantor agrees to reimburse the Collateral Agent on demand for any reasonable payment made or any reasonable expense incurred by the Collateral Agent in connection with any of the foregoing; provided that, this authorization shall not relieve such Grantor of any of its obligations under this Security Agreement or under the Credit Agreement.

(b) All acts of said attorney or designee are hereby ratified and approved. The powers conferred on the Collateral Agent, for the benefit of the Secured Parties, under this Section 6.2 are solely to protect the Collateral Agent's interests in the Collateral and shall not impose any duty upon the Collateral Agent or any Lender to exercise any such powers. The Collateral Agent agrees that, except for the powers granted in Section 6.2(a)(i) and Section 6.2(a)(ii), it shall not exercise any power or authority granted to it unless an Event of Default has occurred and is continuing.

6.3 Proxy. EACH GRANTOR HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS THE COLLATERAL AGENT AS ITS PROXY AND ATTORNEY-IN-FACT (AS SET FORTH IN SECTION 6.2 ABOVE) WITH RESPECT TO ITS PLEDGED COLLATERAL, INCLUDING THE RIGHT TO VOTE SUCH PLEDGED COLLATERAL, WITH FULL POWER OF SUBSTITUTION TO DO SO. IN ADDITION TO THE RIGHT TO VOTE ANY SUCH PLEDGED COLLATERAL, THE APPOINTMENT OF THE COLLATERAL AGENT AS PROXY AND ATTORNEY-IN-FACT SHALL INCLUDE THE RIGHT TO EXERCISE ALL OTHER RIGHTS, POWERS, PRIVILEGES AND REMEDIES TO WHICH A HOLDER OF SUCH PLEDGED COLLATERAL WOULD BE ENTITLED (INCLUDING GIVING OR WITHHOLDING WRITTEN CONSENTS OF SHAREHOLDERS, CALLING SPECIAL MEETINGS OF SHAREHOLDERS AND VOTING AT SUCH MEETINGS). SUCH PROXY SHALL BE EFFECTIVE, AUTOMATICALLY AND WITHOUT THE NECESSITY OF ANY ACTION (INCLUDING ANY TRANSFER OF ANY SUCH PLEDGED COLLATERAL ON THE RECORD BOOKS OF THE ISSUER THEREOF) BY ANY PERSON (INCLUDING THE ISSUER OF SUCH PLEDGED COLLATERAL OR ANY OFFICER OR AGENT THEREOF), UPON THE OCCURRENCE AND DURING THE CONTINUATION OF AN EVENT OF DEFAULT.

6.4 Nature of Appointment; Limitation of Duty. THE APPOINTMENT OF THE COLLATERAL AGENT AS PROXY AND ATTORNEY-IN-FACT IN THIS ARTICLE VI IS COUPLED WITH AN INTEREST AND SHALL BE IRREVOCABLE UNTIL THE DATE ON WHICH THIS SECURITY AGREEMENT IS TERMINATED IN ACCORDANCE WITH SECTION 8.14. NOTWITHSTANDING ANYTHING CONTAINED HEREIN, NEITHER THE COLLATERAL AGENT, NOR ANY LENDER, NOR ANY OF THEIR RESPECTIVE AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR REPRESENTATIVES SHALL HAVE ANY DUTY TO

EXERCISE ANY RIGHT OR POWER GRANTED HEREUNDER OR OTHERWISE OR TO PRESERVE THE SAME AND SHALL NOT BE LIABLE FOR ANY FAILURE TO DO SO OR FOR ANY DELAY IN DOING SO, EXCEPT IN RESPECT OF DAMAGES ATTRIBUTABLE SOLELY TO THEIR OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT AS FINALLY DETERMINED BY A COURT OF COMPETENT JURISDICTION; PROVIDED THAT, IN NO EVENT SHALL THEY BE LIABLE FOR ANY PUNITIVE, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES.

ARTICLE VII
DEPOSIT ACCOUNTS

7.1 Deposit Accounts.

(a) Within 90 days after the Closing Date (or such later date as the Collateral Agent shall agree), each Grantor shall (i) execute and deliver to the Collateral Agent Control Agreement for each Deposit Account (other than accounts with a balance not exceeding $25,000 individually or $100,000 in the aggregate) maintained by such Grantor into which all cash, checks or other similar payments relating to or constituting payments made in respect of Receivables will be deposited into a depositary account (such Deposit Account, a "Controlled Account"), which Controlled Accounts are identified as such on Exhibit B, and (ii) establish lock box service (the "Lock Boxes") with the bank(s) set forth in Exhibit B, which lock boxes shall be subject to irrevocable lockbox agreements in the form provided by or otherwise reasonably acceptable to the Collateral Agent and shall be accompanied by an acknowledgment by the bank where the Lock Box is located of the Lien of the Collateral Agent granted hereunder and of irrevocable instructions to wire all amounts collected therein to Controlled Accounts (a "Lock Box Agreement"). After the Closing Date, each Grantor will comply with the terms of Section 7.2.

(b) Within 90 days after the Closing Date (or such later date as the Collateral Agent shall agree), each Grantor shall direct all of its Account Debtors that forward payments to such Grantor to forward payments directly to Lock Boxes subject to Lock Box Agreements. The Collateral Agent shall have sole access to the Lock Boxes at all times and each Grantor shall take all actions necessary to grant the Collateral Agent such sole access. At no time shall any Grantor remove any item from a Lock Box without the Collateral Agent's prior written consent. If any Grantor should refuse or neglect to notify any Account Debtor to forward payments directly to a Lock Box subject to a Lock Box Agreement after notice from the Collateral Agent, the Collateral Agent shall, notwithstanding the language set forth in Section 6.2(b), be entitled to make such notification directly to Account Debtor. If notwithstanding the foregoing instructions, any Grantor receives any proceeds of any Receivables, such Grantor shall receive such payments as the Collateral Agent's trustee, and shall immediately deposit all cash, checks or other similar payments related to or constituting payments made in respect of Receivables received by it to a Controlled Account. Any such proceeds of the Collateral shall be applied in the order set forth in Section 5.2 unless a court of competent jurisdiction shall otherwise direct.

7.2 Covenant Regarding New Deposit Accounts; Lock Boxes. Before opening or replacing any Controlled Account or other Deposit Account (other than accounts with a balance not exceeding $25,000 individually or $100,000 in the aggregate), or establishing a new Lock Box, each Grantor shall cause each bank or financial institution in which it seeks to open (i) a Deposit Account, to enter into a Control Agreement with the Collateral Agent in order to give the Collateral Agent Control of such Deposit Account, or (ii) a Lock Box, to enter into a Lock Box Agreement with the Collateral Agent Control of the Lock Box. In the case of Deposit Accounts or Lock Boxes maintained with Lenders, the terms of such letter shall be subject to the provisions of the Credit Agreement regarding setoffs.

ARTICLE VIII
GENERAL PROVISIONS

8.1 Waivers. Each Grantor hereby waives notice (to the maximum extent permitted by applicable law) of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made. To the extent such notice may not be waived under applicable law, any notice made shall be deemed reasonable if sent to the Grantors, addressed as set forth in Article IX, at least ten days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made. To the maximum extent permitted by applicable law, each Grantor waives all claims, damages, and demands against the Collateral Agent or any Lender arising out of the repossession, retention or sale of the Collateral, except such as arise solely out of the gross negligence or willful misconduct of the Collateral Agent or such Lender as finally determined by a court of competent jurisdiction. To the extent it may lawfully do so, each Grantor absolutely and irrevocably waives and relinquishes the benefit and advantage of, and covenants not to assert against the Collateral Agent or any Lender, any valuation, stay, appraisal, extension, moratorium, redemption or similar laws and any and all rights or defenses it may have as a surety now or hereafter existing which, but for this provision, might be applicable to the commercially reasonable sale of any Collateral made under the judgment, order or decree of any court, or privately under the power of sale conferred by this Security Agreement, or otherwise. Except as otherwise specifically provided herein, each Grantor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral.

8.2 Limitation on Collateral Agent's and Lenders' Duty with Respect to the Collateral . The Collateral Agent shall have no obligation to clean-up or otherwise prepare the Collateral for sale. The Collateral Agent and each Lender shall use reasonable care with respect to the Collateral in its possession or under its control. Neither the Collateral Agent nor any Lender shall have any other duty as to any Collateral in its possession or control or in the possession or control of any agent or nominee of the Collateral Agent or such Lender, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto. To the extent that applicable law imposes duties on the Collateral Agent to exercise remedies in a commercially reasonable manner, each Grantor acknowledges and agrees that each of the following, in and of itself, is commercially unreasonable for the Collateral Agent to do: (i) to fail to incur expenses deemed significant by the Collateral Agent to prepare Collateral for disposition or otherwise to transform raw material or work in process into finished goods or other finished products for disposition, (ii) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (iii) to fail to exercise collection remedies against Account Debtors or other Persons obligated on Collateral or to remove Liens on or any adverse claims against Collateral, (iv) to exercise collection remedies against Account Debtors and other Persons obligated on Collateral directly or through the use of collection agencies and other collection specialists, (v) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (vi) to contact other Persons, whether or not in the same business as such Grantor, for expressions of interest in acquiring all or any portion of such Collateral, (vii) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the Collateral is of a specialized nature, (viii) to dispose of Collateral by utilizing internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capacity of doing so, or that match buyers and sellers of assets, (ix) to dispose of assets in wholesale rather than retail markets, (x) to disclaim disposition warranties, such as title, possession or quiet enjoyment, (xi) to purchase insurance or credit enhancements to insure the Collateral Agent against risks of loss, collection or disposition of Collateral or to provide to the Collateral Agent a guaranteed return from the collection or disposition of Collateral, or (xii) to the extent deemed appropriate by the Collateral Agent, to obtain the services of other brokers, investment bankers,

consultants and other professionals to assist the Collateral Agent in the collection or disposition of any of the Collateral. Each Grantor acknowledges that the purpose of this Section 8.2 is to provide non-exhaustive indications of what actions or omissions by the Collateral Agent would not, in and of themselves be commercially unreasonable in the Collateral Agent's exercise of remedies against the Collateral and that other actions or omissions by the Collateral Agent shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 8.2. Without limitation upon the foregoing, nothing contained in this Section 8.2 shall be construed to grant any rights to any Grantor or to impose any duties on the Collateral Agent that would not have been granted or imposed by this Security Agreement or by applicable law in the absence of this Section 8.2.

8.3 Compromises and Collection of Collateral. The Grantors and the Collateral Agent recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Receivables, that certain of the Receivables may be or become uncollectible in whole or in part and that the expense and probability of success in litigating a disputed Receivable may exceed the amount that reasonably may be expected to be recovered with respect to a Receivable. In view of the foregoing, each Grantor agrees that the Collateral Agent may at any time and from time to time, if an Event of Default has occurred and is continuing, compromise with the obligor on any Receivable, accept in full payment of any Receivable such amount as the Collateral Agent in its sole discretion shall determine or abandon any Receivable, and any such action by the Collateral Agent shall be commercially reasonable so long as the Collateral Agent acts in good faith based on information known to it at the time it takes any such action.

8.4 Secured Party Performance of Debtor Obligations. Without having any obligation to do so, the Collateral Agent may perform or pay any obligation which any Grantor has agreed to perform or pay in this Security Agreement and which such Grantor has failed to timely perform or pay and the Grantors shall reimburse the Collateral Agent for any amounts paid by the Collateral Agent pursuant to this Section 8.4. The Grantors' obligation to reimburse the Collateral Agent pursuant to the preceding sentence shall be an Obligation payable on demand.

8.5 Specific Performance of Certain Covenants. Each Grantor acknowledges and agrees that a breach of any of the covenants contained in Sections 4.1(e), 4.1(f), 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.11, 4.13, 4.14, 4.15 or 5.3 or in Article VII will cause irreparable injury to the Collateral Agent and the Lenders, that the Collateral Agent and the Lenders have no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of the Collateral Agent or the Lenders to seek and obtain specific performance of other obligations of the Grantors contained in this Security Agreement, that the covenants of the Grantors contained in the Sections referred to in this Section 8.5 shall be specifically enforceable against the Grantors.

8.6 Dispositions Not Authorized. No Grantor is authorized to sell or otherwise dispose of the Collateral except as set forth in Section 4.1(e) and notwithstanding any course of dealing between any Grantor and the Collateral Agent or other conduct of the Collateral Agent, no authorization to sell or otherwise dispose of the Collateral (except as set forth in Section 4.1(e)) shall be binding upon the Collateral Agent or the Lenders unless such authorization is in writing signed by the Collateral Agent with the consent or at the direction of the Requisite Lenders, such consent not to be unreasonably withheld, delayed or conditioned.

8.7 No Waiver; Amendments; Cumulative Remedies. No delay or omission of the Collateral Agent or any Secured Parties to exercise any right or remedy granted under this Security Agreement shall impair such right or remedy or be construed to be a waiver of any Default or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver, amendment or other variation of the

terms, conditions or provisions of this Security Agreement whatsoever shall be valid unless in writing signed by the Collateral Agent with the concurrence or at the direction of the Secured Parties and then only to the extent in such writing specifically set forth. All rights and remedies contained in this Security Agreement or by law afforded shall be cumulative and all shall be available to the Collateral Agent and the Secured Parties until the Obligations have been paid in full.

8.8 Limitation by Law; Severability of Provisions. All rights, remedies and powers provided in this Security Agreement may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions of this Security Agreement are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they shall not render this Security Agreement invalid, unenforceable or not entitled to be recorded or registered, in whole or in part. Any provision in this Security Agreement that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of this Security Agreement are declared to be severable.

8.9 Reinstatement. This Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against any Grantor for liquidation or reorganization, should any Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of any Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

8.10 Benefit of Agreement. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of the Grantors, the Collateral Agent and the Lenders and their respective successors and assigns (including all persons who become bound as a debtor to this Security Agreement), except that no Grantor shall have the right to assign its rights or delegate its obligations under this Security Agreement or any interest herein, without the prior written consent of the Collateral Agent (such consent not to be unreasonably withheld or delayed). No sales of participations, assignments, transfers, or other dispositions of any agreement governing the Obligations or any portion thereof or interest therein shall in any manner impair the Lien granted to the Collateral Agent, for the benefit of the Secured Parties, hereunder.

8.11 Survival of Representations. All representations and warranties of the Grantors contained in this Security Agreement shall survive the execution and delivery of this Security Agreement.

8.12 Taxes and Expenses. Any taxes (including income taxes) payable or ruled payable by Federal or State authority in respect of this Security Agreement shall be paid by the Grantors, together with interest and penalties, if any. The Grantors shall reimburse the Collateral Agent for any and all out-of-pocket expenses (including reasonable attorneys', auditors' and accountants' fees and reasonable time charges of attorneys, paralegals, auditors and accountants) paid or incurred by the Collateral Agent in connection with the preparation, execution, delivery, administration, collection and enforcement of this Security Agreement and in the audit, analysis, administration, collection, preservation or sale of the Collateral (including the expenses and charges associated with any periodic or special audit of the Collateral authorized pursuant to this Security Agreement). Any and all costs and expenses incurred by

the Grantors in the performance of actions required pursuant to the terms hereof shall be borne solely by the Grantors.

8.13 Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

8.14 Termination. This Security Agreement shall continue in effect until the Credit Agreement has terminated pursuant to its express terms.

8.15 Entire Agreement. This Security Agreement embodies the entire agreement and understanding between the Grantors and the Collateral Agent relating to the Collateral and supersedes all prior agreements and understandings between the Grantors and the Collateral Agent relating to the Collateral.

8.16 CHOICE OF LAW. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF NEW YORK, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

8.17 CONSENT TO JURISDICTION. EACH GRANTOR HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY U.S. FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK, NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT AND EACH GRANTOR HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE COLLATERAL AGENT OR ANY LENDER TO BRING PROCEEDINGS AGAINST ANY GRANTOR IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY ANY GRANTOR AGAINST THE COLLATERAL AGENT OR ANY LENDER OR ANY AFFILIATE OF THE AGENT OR ANY LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN NEW YORK, NEW YORK.

8.18 WAIVER OF JURY TRIAL. EACH GRANTOR, THE COLLATERAL AGENT AND EACH LENDER HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE RELATIONSHIP ESTABLISHED THEREUNDER.

8.19 Indemnity. Each Grantor hereby agrees to indemnify the Collateral Agent and the Lenders, and their respective successors, assigns, agents and employees (each an "Indemnitee"), from and against any and all liabilities, damages, penalties, suits, costs, and expenses of any kind and nature (including, without limitation, all reasonable expenses of litigation or preparation therefor whether or not the Collateral Agent or any Lender is a party thereto) imposed on, incurred by or asserted against the Collateral Agent or the Lenders, or their respective successors, assigns, agents and employees, in any way relating to or arising out of this Security Agreement, or the manufacture, purchase, acceptance, rejection,

ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Collateral (including, without limitation, latent and other defects, whether or not discoverable by the Collateral Agent or the Lenders or any Grantor, and any claim for Patent, Trademark or Copyright infringement); provided, however, that no Grantor shall have any indemnity obligation under this Section 8.19 to the extent such indemnity obligation arises from the gross negligence or willful misconduct of an Indemnitee, in each case, as determined by a final, non-appealable judgment of a court of competent jurisdiction.

8.20 Counterparts. This Security Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Security Agreement by signing any such counterpart.

ARTICLE IX
NOTICES

9.1 Sending Notices. Any notice required or permitted to be given under this Security Agreement shall be sent by United States mail, telecopier, personal delivery or nationally established overnight courier service, and shall be deemed received (a) when received, if sent by hand or overnight courier service, or mailed by certified or registered mail notices or (b) when sent, if sent by telecopier (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient), in each case addressed to the Grantors at the notice address set forth on Exhibit A, and to the Collateral Agent and the Lenders at the addresses set forth in accordance with Section 10.1 of the Credit Agreement.

9.2 Change in Address for Notices. Each of the Grantors, the Collateral Agent and the Lenders may change the address for service of notice upon it by a notice in writing to the other parties.

ARTICLE X
THE COLLATERAL AGENT

Goldman Sachs Lending Partners LLC, has been appointed Collateral Agent for the Lenders hereunder pursuant to Section 9 of the Credit Agreement. It is expressly understood and agreed by the parties to this Security Agreement that any authority conferred upon the Collateral Agent hereunder is subject to the terms of the delegation of authority made by the Lenders to the Collateral Agent pursuant to the Credit Agreement, and that the Collateral Agent has agreed to act (and any successor Collateral Agent shall act) as such hereunder only on the express conditions contained in such Section 9 of the Credit Agreement. Any successor Collateral Agent appointed pursuant to Section 9 of the Credit Agreement shall be entitled to all the rights, interests and benefits of the Collateral Agent hereunder.

[Signature Page Follows]

IN WITNESS WHEREOF, the Grantors and the Collateral Agent have executed this Security Agreement as of the date first above written.

GRANTORS:

CLOPAY AMES TRUE TEMPER HOLDING CORP.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY AMES TRUE TEMPER LLC

By: /s/ Seth L. Kaplan
Name: Seth K. Kaplan
Title: Senior Vice President

CLOPAY PLASTIC PRODUCTS COMPANY, INC.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY BUILDING PRODUCTS COMPANY, INC.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY TRANSPORTATION COMPANY

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY ACQUISITION CORP.

By: /s/ Seth L. Kaplan
Name: Seth K. Kaplan
Title: Senior Vice President

CHATT HOLDINGS INC.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

ATT HOLDING CO.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

AMES TRUE TEMPER, INC.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

AMES U.S. HOLDING CORP.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President, Treasurer and Secretary

AMES TRUE TEMPER PROPERTIES, INC.

By: /s/ David Nuti
Name: David Nuti
Title: CFO and Assistant Secretary

CLOPAY BUILDING PRODUCTS INTERNATIONAL SALES CORPORATION

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Vice President and Treasurer

GOLDMAN SACHS LENDING PARTNERS LLC, as Collateral Agent

By: /s/ Alexis Maged
Authorized Signatory

EXECUTION VERSION

INTERCREDITOR AGREEMENT

Intercreditor Agreement (this "Agreement"), dated as of September 30, 2010, among JPMorgan Chase Bank, N.A., as Administrative Agent (in such capacity, with its successors and assigns, and as more specifically defined below, the "ABL Representative") for the ABL Secured Parties (as defined below), Goldman Sachs Lending Partners LLC, as Administrative Agent and Collateral Agent (in such capacities, with its successors and assigns, and as more specifically defined below, the "Term Loan Representative") for the Term Loan Secured Parties (as defined below) and each of the Loan Parties (as defined below) party hereto.

WHEREAS, Clopay Ames True Temper LLC ("Holdings"), Clopay Ames True Temper Holding Corp., a Delaware corporation (the "Borrower"), the subsidiary guarantors, the ABL Representative and certain financial institutions and other entities are parties to the Amended and Restated Credit Agreement dated as of the date hereof (the "Existing ABL Agreement"), pursuant to which such financial institutions and other entities have agreed to make loans and extend other financial accommodations to the Loan Parties;

WHEREAS, Holdings, the Borrower, the Term Loan Representative, the subsidiary guarantors and certain financial institutions and other entities are parties to the Credit and Guarantee Agreement dated as of the date hereof (the " Existing Term Loan Agreement"), pursuant to which such financial institutions and other entities have agreed to make loans to the Borrower;

WHEREAS, the Loan Parties have granted to the ABL Representative security interests and liens in the Collateral (as defined below) as security for payment and performance of the ABL Obligations; and

WHEREAS, the Loan Parties have granted to the Term Loan Representative security interests and liens in the Collateral as security for payment and performance of the Term Loan Obligations (as defined below).

NOW THEREFORE, in consideration of the foregoing and the mutual covenants herein contained and other good and valuable consideration, the existence and sufficiency of which is expressly recognized by all of the parties hereto, the parties agree as follows:

SECTION 1. *Definitions; Rules of Construction.*

1.1 UCC Definitions. The following terms which are defined in the Uniform Commercial Code are used herein as so defined: Accounts, Chattel Paper, Commercial Tort Claims, Deposit Accounts, Documents, Equipment, General Intangibles, Goods, Instruments, Inventory, Investment Property, Letter of Credit, Letter of Credit Rights, Records, Securities Account and Supporting Obligations.

1.2. Defined Terms. The following terms, as used herein, have the following meanings:

"ABL Agreement" means the collective reference to (a) the Existing ABL Agreement, (b) any Additional ABL Agreement and (c) any other credit agreement, loan agreement, note agreement, promissory note, indenture or other agreement or instrument evidencing or governing the terms of any indebtedness or other financial accommodation that has at any time been incurred to extend, replace, refinance or refund in whole or in part the indebtedness and other obligations outstanding under the

Existing ABL Agreement (regardless of whether such replacement, refunding or refinancing (i) is a "working capital" facility, asset-based facility, revolving loan facility, term loan facility or otherwise or (ii) was entered into after the ABL Obligations Payment Date), any Additional ABL Agreement or any other agreement or instrument referred to in this clause (c) unless such agreement or instrument expressly provides that it is not intended to be and is not an ABL Agreement hereunder (a "Replacement ABL Agreement"). Any reference to the ABL Agreement hereunder shall be deemed a reference to any ABL Agreement then extant.

"ABL Collateral" means all Collateral consisting of the following:

(1) all Accounts;

(2) all Inventory;

(3) all Deposit Accounts;

(4) all cash and cash equivalents;

(5) to the extent evidencing or governing any of the items referred to in the preceding clauses (1), (2), (3) and (4) all Chattel Paper, Documents, Instruments, General Intangibles and Securities Accounts related thereto;

(6) all books and records relating to the foregoing (including all books, databases, customer lists and records, whether tangible or electronic which contain any information relating to any of the foregoing); and

(7) all Proceeds of and Supporting Obligations, including Letter of Credit Rights, with respect to any of the foregoing and all collateral security and guarantees given by any Person with respect to any of the foregoing.

Notwithstanding the foregoing, the ABL Collateral shall not include: (a) Prepayment Accounts and all cash, cash equivalents, financial assets, negotiable instruments and other evidence of payment, and other funds on deposit therein or credited thereto, (b) any amounts described in clause (5) above to the extent relating to Term Collateral, (c) Proceeds of Term Collateral received in respect of an Enforcement Action or during an Insolvency Proceeding, (d) obligations owing by Holdings or its Subsidiaries to Holdings or any other Subsidiary and (e) Proceeds required to be applied to the mandatory prepayment of the Term Loan Obligations pursuant to the Term Loan Documents or to be deposited into a Prepayment Account, so long as such prepayment is permitted by the Existing ABL Agreement.

"ABL Creditors" means, collectively, the "Lenders" and the "Secured Parties", each as defined in the ABL Documents.

"ABL DIP Financing" has the meaning set forth in Section 5.2(a).

"ABL Documents" means the ABL Agreement, each ABL Security Document, each ABL Guarantee and each other "Loan Document" as defined in the ABL Agreement (other than this Agreement).

"ABL Guarantee" means any guarantee by any Loan Party of any or all of the ABL Obligations.

"ABL Lien" means any Lien created by the ABL Security Documents.

"ABL Obligations" means (a) all principal of and interest (including any Post-Petition Interest) and premium (if any) on all loans made pursuant to the ABL Agreement or any ABL DIP Financing by the ABL Creditors, (b) all reimbursement obligations (if any) and interest thereon (including any Post-Petition Interest) with respect to any letter of credit or similar instruments issued pursuant to the ABL Agreement, (c) all Secured ABL Swap Obligations, (d) all Banking Services Obligations and (e) all guarantee obligations, indemnities, fees, expenses and other amounts payable from time to time pursuant to the ABL Documents, in each case whether or not allowed or allowable in an Insolvency Proceeding. To the extent any payment with respect to any ABL Obligation (whether by or on behalf of any Loan Party, as Proceeds of security, enforcement of any right of setoff or otherwise) is declared to be a fraudulent transfer or a preference in any respect, set aside or required to be paid to an estate of a Loan Party, then the obligation or part thereof originally intended to be satisfied shall, for the purposes of this Agreement and the rights and obligations of the ABL Secured Parties and the Term Loan Secured Parties, be deemed to be reinstated and outstanding as if such payment had not occurred.

"ABL Obligations Payment Date" means the first date on which (a) the ABL Obligations (other than those that constitute Unasserted Contingent Obligations) have been indefeasibly paid in cash in full (or cash collateralized or defeased in accordance with the terms of the ABL Documents), (b) all commitments to extend credit under the ABL Documents have been terminated, (c) there are no outstanding letters of credit or similar instruments issued under the ABL Documents (other than such as have been cash collateralized or defeased in accordance with the terms of the ABL Documents or otherwise in a manner satisfactory to the applicable issuing banks), and (d) so long as the Term Loan Obligations Payment Date shall not have occurred, the ABL Representative has delivered a written notice to the Term Loan Representative stating that the events described in clauses (a), (b) and (c) have occurred to the satisfaction of the ABL Secured Parties.

"ABL Representative" has the meaning set forth in the introductory paragraph hereof. In the case of any Replacement ABL Agreement, the ABL Representative shall be the Person identified as such in such Agreement.

"ABL Secured Parties" means the ABL Representative, the ABL Creditors and any other holders of the ABL Obligations.

"ABL Security Documents" means the "Collateral Documents" as defined in the ABL Agreement, and any other documents that are designated under the ABL Agreement as "ABL Security Documents" for purposes of this Agreement.

"ABL Swap Obligations" means, with respect to any Loan Party, any obligations of such Loan Party owed to any ABL Creditor (or any of its affiliates) in respect of any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions or any and all cancellations, buy backs, reversals, terminations or assignments of any these transactions.

"Access Period" means, with respect to each parcel or item of Term Collateral, the period, following the commencement of any Enforcement Action, which begins on the earlier of (a) the day on which the ABL Representative provides the Term Loan Representative with the notice of its election to request access to such parcel or item of Term Collateral pursuant to Section 3.4(c) and (b) the fifth

Business Day after the Term Loan Representative provides the ABL Representative with notice that the Term Loan Representative (or its agent) has obtained possession or control of such parcel or item of Term Collateral and ends on the earliest of (i) the day which is 180 days after the date (the " Initial Access Date") on which the ABL Representative initially is permitted the ability (regardless of whether the ABL Representative exercises such ability on such Initial Access Date) to take physical possession of, remove or otherwise control, on a non-exclusive basis, physical access to, or actually uses, such parcel or item of Term Collateral plus such number of days, if any, after the Initial Access Date that it is stayed or otherwise prohibited by law or court order from exercising remedies with respect to associated ABL Collateral, (ii) the date on which all or substantially all of the ABL Collateral associated with such parcel or item of Term Collateral is sold, collected or liquidated, (iii) the ABL Obligations Payment Date and (iv) the date on which the default which resulted in such Enforcement Action has been cured or waived in writing.

"Additional ABL Agreement" means any agreement for the incurrence of additional indebtedness that is permitted to be secured by the ABL Collateral on a pari passu basis with other ABL Obligations and treated as an ABL Agreement pursuant to the ABL Agreement and any agreement approved for designation as such by the ABL Representative and the Term Loan Representative.

"Additional Debt" has the meaning set forth in Section 10.5(b).

"Additional Term Loan Agreement" means any agreement for the incurrence of additional indebtedness that is permitted to be secured by the Term Collateral on a pari passu basis with other Term Loan Obligations and treated as a Term Loan Agreement pursuant to the Term Loan Agreement and any agreement approved for designation as such by the Term Loan Representative and the ABL Representative.

"Banking Services Obligations" means, with respect to any Loan Party, any obligations of such Loan Party, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), owed to any "Lender" (as defined in the ABL Agreement) or any of its affiliates in respect of the following bank services to the extent agreed to by such Loan Party in a notice delivered to the ABL Representative designating such services as a "Banking Service" (as defined in the ABL Agreement) between such "Lender" or any of its affiliates, on the one hand, and the applicable Loan Party, on the other hand, for purposes of the ABL Agreement and the other ABL Documents (it being understood that any "Banking Service" provided by the ABL Representative or its affiliates will be deemed to be a "Banking Service" for purposes of the ABL Agreement and other ABL Documents without the delivery of further notice) and to the extent such obligations are permitted to be and are designated as obligations secured by the ABL Collateral pursuant to the terms of the ABL Agreement: (a) commercial credit cards, (b) stored value cards and (c) treasury management services (including controlled disbursement, automated clearinghouse transactions, return items, overdrafts and interstate depository network services).

"Bankruptcy Code" means the United States Bankruptcy Code (11 U.S.C. §101 et seq.), as amended from time to time.

"Borrower" has the meaning set forth in the first WHEREAS clause above.

"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.

"Collateral" means, collectively, all property upon which a Lien is granted pursuant to the

Security Documents.

"Comparable Security Document" means, in relation to any Senior Collateral subject to any Senior Security Document, that Junior Security Document (if any) that creates a security interest in the same Senior Collateral, granted by the same Loan Party, as applicable.

"Copyrights" means, with respect to any Person, all of such Person's right, title, and interest in and to the following: (a) all copyrights, rights and interests in copyrights, works protectable by copyright, copyright registrations, and copyright applications; (b) all renewals of any of the foregoing; (c) all income, royalties, damages, and payments now or hereafter due and/or payable under any of the foregoing, including damages or payments for past or future infringements for any of the foregoing; (d) the right to sue for past, present, and future infringements of any of the foregoing; and (e) all rights corresponding to any of the foregoing throughout the world.

"Domestic Subsidiary" means any Subsidiary organized under the laws of the United States of America, any State thereof or the District of Columbia.

"Enforcement Action" means, with respect to the ABL Obligations or the Term Loan Obligations, the exercise of any rights and remedies with respect to any Collateral securing such obligations or the commencement or prosecution of enforcement of any of the rights and remedies under, as applicable, the ABL Documents or the Term Loan Documents, or applicable law, including the exercise of any rights of set-off or recoupment, and the exercise of any rights or remedies of a secured creditor under the Uniform Commercial Code of any applicable jurisdiction or under the Bankruptcy Code, in the understanding that the commencement and continuation of a Cash Dominion Period (as defined in the Existing ABL Security Agreement) by itself shall not constitute an Enforcement Action.

"Equity Interests" 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.

"Existing ABL Agreement" has the meaning set forth in the first WHEREAS clause of this Agreement.

"Existing ABL Security Agreement" means the "Security Agreement" as defined in the Existing ABL Agreement.

"Existing Term Loan Agreement" has the meaning set forth in the second WHEREAS clause of this Agreement.

"Insolvency Proceeding" means any proceeding in respect of bankruptcy, insolvency, winding up, receivership, dissolution or assignment for the benefit of creditors, in each of the foregoing events whether under the Bankruptcy Code or any similar federal, state or foreign bankruptcy, insolvency, reorganization, receivership or similar law.

"Intellectual Property" means all intellectual property of every kind and nature now owned or hereafter acquired by any Loan Party, including inventions, designs, Patents, Copyrights, Licenses, Trademarks, trade secret licenses, confidential or proprietary technical or business information, know-how, show-how or other data or information, software and databases and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and

accessions to, and booked and records describing or used in connection with, any of the foregoing.

"Junior Collateral" shall mean with respect to any Junior Secured Party, any Collateral on which it has a Junior Lien.

"Junior Documents" shall mean (a) with respect to any Junior Obligations that are Term Loan Obligations, the Term Loan Documents and (b) with respect to any Junior Obligations that are ABL Obligations, the ABL Documents.

"Junior Liens" shall mean (a) with respect to any ABL Collateral, all Liens securing the Term Loan Obligations and (b) with respect to any Term Collateral, all Liens securing the ABL Obligations.

"Junior Obligations" shall mean (a) with respect to any ABL Collateral, all Term Loan Obligations and (b) with respect to any Term Collateral, all ABL Obligations.

"Junior Representative" shall mean (a) with respect to any ABL Obligations or any ABL Collateral, the Term Loan Representative and (b) with respect to any Term Loan Obligations or any Term Collateral, the ABL Representative.

"Junior Secured Parties" shall mean (a) with respect to the ABL Collateral, all Term Loan Secured Parties and (b) with respect to the Term Collateral, all ABL Secured Parties.

"Junior Security Documents" shall mean with respect to any Junior Secured Party, the Security Documents that secure the Junior Obligations .

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

"Licenses" means, with respect to any Person, all of such Person's right, title, and interest in and to (a) any and all licensing agreements or similar arrangements in and to its Patents, Copyrights, or Trademarks, (b) all income, royalties, damages, claims, and payments now or hereafter due or payable under and with respect thereto, including damages and payments for past and future breaches thereof, and (c) all rights to sue for past, present, and future breaches thereof.

"Lien Priority" means with respect to any Lien of the ABL Representative or Term Loan Representative in the Collateral, the order of priority of such Lien specified in Section 2.1.

"Loan Documents" shall mean, collectively, the ABL Documents and the Term Loan Documents.

"Loan Party" means Holdings, the Borrower and each Domestic Subsidiary of Holdings (other than the Borrower) that is now or hereafter becomes a party to any ABL Document or any Term Loan Document, in each case as a direct obligor or guarantor of the ABL Obligations or Term Loan Obligations, as applicable. All references in this Agreement to any Loan Party shall include such Loan Party as a debtor-in-possession and any receiver or trustee for such Loan Party in any Insolvency Proceeding.

"Patents" means with respect to any Person, all of such Person's right, title, and interest in and to: (a) any and all patents and patent applications; (b) all inventions and improvements described and claimed therein; (c) all reissues, divisions, continuations, renewals, extensions, and continuations-in-part thereof; (d) all income, royalties, damages, claims, and payments now or hereafter due or payable under and with respect thereto, including damages and payments for past and future infringements thereof; (e) all rights to sue for past, present, and future infringements thereof; and (f) all rights corresponding to any of the foregoing throughout the world.

"Person" means any person, individual, sole proprietorship, partnership, joint venture, corporation, limited liability company, unincorporated organization, association, institution, entity, party, including any government and any political subdivision, agency or instrumentality thereof.

"Prepayment Account" means any Deposit Account or Securities Account established and maintained for the sole purpose of depositing the net cash proceeds of any Loan Party with respect to any asset sale, incurrence of indebtedness or casualty or condemnation event pending the application of such proceeds to the prepayment of loans under the Term Loan Documents in accordance with the mandatory prepayment provisions thereof.

"Post-Petition Interest" means any interest or entitlement to fees, costs or charges that accrue during an Insolvency Proceeding (or would accrue but for the commencement of an Insolvency Proceeding), whether or not allowed or allowable in any such Insolvency Proceeding.

"Proceeds" means (a) all "proceeds," as defined in Article 9 of the Uniform Commercial Code, with respect to the Collateral, and (b) whatever is recoverable or recovered when any Collateral is sold, exchanged, collected, or disposed of, whether voluntarily or involuntarily, including all proceeds of any insurance policy covering the Collateral.

"Real Property" means any right, title or interest in and to real property, including any fee interest, leasehold interest, easement, or license and any other right to use or occupy real property, including any right arising by contract.

"Replacement ABL Agreement" has the meaning set forth in the definition of "ABL Agreement."

"Replacement Term Loan Agreement" has the meaning set forth in the definition of "Term Loan Agreement."

"Secured Obligations" shall mean the ABL Obligations and the Term Loan Obligations.

"Secured Parties" means the ABL Secured Parties and the Term Loan Secured Parties.

"Secured ABL Swap Obligation" means the ABL Swap Obligations of a Loan Party in connection with any Swap Agreement entered into between such Loan Party and any "Lender" (as defined in the ABL Agreement) or its affiliate at the time such Swap Agreement is entered into, which is designated by the Borrower as a Swap Agreement whose obligations will constitute Secured ABL Swap Obligations under the ABL Agreement in a notice delivered to the ABL Representative (it being understood that any ABL Swap Obligation of a Loan Party to the ABL Representative or its affiliate will be a Secured ABL Swap Obligation unless notice is delivered to the contrary) to the extent such ABL Swap Obligations are permitted to be and are designated as obligations secured by the ABL Collateral pursuant to the terms of the ABL Agreement; provided that Secured ABL Swap Obligations shall not include any ABL Swap Obligations with respect to Swap Agreements settled by reference to equity

instruments; provided further that in no event shall any such obligations be both Secured ABL Swap Obligations and Secured Term Loan Hedge Obligations.

"Secured Term Loan Hedge Obligation" means the Term Loan Hedge Obligations of a Loan Party in connection with any Hedge Agreement entered into between such Loan Party and (a) any "Agent", or "Arranger" (in each case as defined in the Term Loan Agreement) or its affiliate (whether or not such counterparty shall have been an Agent, an Arranger or an affiliate thereof at the time such Hedge Agreement was entered into), (b) a "Lender" (as defined in the Term Loan Agreement) or an affiliate thereof that is in effect on the Closing Date (as defined in the Term Loan Agreement) or (c) a "Lender" (as defined in the Term Loan Agreement) or an affiliate thereof at the time such Hedge Agreement is entered into, in each case which is designated by the Borrower as a Hedge Agreement whose obligations will constitute Secured Term Loan Hedge Obligations under the Term Loan Agreement in a notice delivered to the Term Loan Representative (it being understood that any Term Loan Hedge Obligation of a Loan Party to the Term Loan Representative or its affiliate will be a Secured Term Loan Hedge Obligation unless notice is delivered to the contrary) to the extent such Term Loan Hedge Obligations are permitted to be and are designated as obligations secured by the Term Collateral pursuant to the terms of the Term Loan Agreement; provided that Secured Term Loan Hedge Obligations shall not include any Term Loan Hedge Obligations with respect to Swap Agreements settled by reference to equity instruments; provided further that in no event shall any such obligations be both Secured ABL Swap Obligations and Secured Term Loan Hedge Obligations.

"Security Documents" means, collectively, the ABL Security Documents and the Term Loan Security Documents.

"Senior Collateral" shall mean with respect to any Senior Secured Party, any Collateral on which it has a Senior Lien.

"Senior Documents" shall mean, collectively, with respect to any Senior Obligation, any provision pertaining to such Senior Obligation in any Loan Document or any other document, instrument or certificate evidencing or delivered in connection with such Senior Obligation.

"Senior Liens" shall mean (a) with respect to the ABL Collateral, all Liens securing the ABL Obligations and (b) with respect to the Term Collateral, all Liens securing the Term Loan Obligations.

"Senior Obligations" shall mean (a) with respect to any ABL Collateral, all ABL Obligations and (b) with respect to any Term Collateral, all Term Loan Obligations.

"Senior Obligations Payment Date" shall mean (a) with respect to ABL Obligations, the ABL Obligations Payment Date and (b) with respect to any Term Loan Obligations, the Term Loan Obligations Payment Date.

"Senior Representative" shall mean (a) with respect to any ABL Collateral, the ABL Representative and (b) with respect to any Term Collateral, the Term Loan Representative.

"Senior Secured Parties" shall mean (a) with respect to the ABL Collateral, all ABL Secured Parties and (b) with respect to the Term Collateral, all Term Loan Secured Parties.

"Senior Security Documents" shall mean with respect to any Senior Secured Party, the Security Documents that secure the Senior Obligations .

"Standstill Period" has the meaning set forth in Section 3.2.

"Subsidiary" means, with respect to any Person, any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than 50% of the total voting power of the Equity Interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by such Person, one or more of the other Subsidiaries of such Person or a combination thereof; provided that in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interest in the nature of a "qualifying share" of the former Person shall be deemed to be outstanding.

"Term Collateral" means all Collateral other than the ABL Collateral.

"Term Loan Agreement" means the collective reference to (a) the Existing Term Loan Agreement, (b) any Additional Term Loan Agreement and (c) any other credit agreement, loan agreement, note agreement, promissory note, indenture or other agreement or instrument evidencing or governing the terms of any indebtedness or other financial accommodation that has at any time been incurred to extend, replace, refinance or refund in whole or in part the indebtedness and other obligations outstanding under the Existing Term Loan Agreement (regardless of whether such replacement, refunding or refinancing (i) is a "working capital" facility, asset-based facility, revolving loan facility, term loan facility or otherwise or (ii) was entered into after the Term Loan Obligations Payment Date), any Additional Term Loan Agreement or any other agreement or instrument referred to in this clause (c) unless such agreement or instrument expressly provides that it is not intended to be and is not a Term Loan Agreement hereunder (a "Replacement Term Loan Agreement"). Any reference to the Term Loan Agreement hereunder shall be deemed a reference to any Term Loan Agreement then extant.

"Term Loan Creditors" means, collectively, the "Lenders" and the "Secured Parties", each as defined in the Term Loan Documents.

"Term Loan DIP Financing" has the meaning set forth in Section 5.2(b).

"Term Loan Documents" means the Term Loan Agreement, each Term Loan Security Document, each Term Loan Guarantee and each other "Credit Document" as defined in the Term Loan Agreement (other than this Agreement).

"Term Loan Hedge Obligations" means, with respect to any Loan Party, any obligations of such Loan Party owed to any Term Loan Creditor (or any of its affiliates) in respect of any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions or any and all cancellations, buy backs, reversals, terminations or assignments of any these transactions.

"Term Loan Lien**"** means any Lien created by the Term Loan Security Documents.

"Term Loan Obligations" means (a) all principal of and interest (including any Post-Petition Interest) and premium (if any) on all loans made pursuant to the Term Loan Agreement or any Term Loan DIP Financing by the Term Loan Creditors, (b) all reimbursement obligations (if any) and interest thereon (including any Post-Petition Interest) with respect to any letter of credit or similar instruments issued

pursuant to the Term Loan Agreement, (c) all Secured Term Loan Hedge Obligations and (d) all guarantee obligations, indemnities, fees, expenses and other amounts payable from time to time pursuant to the Term Loan Documents, in each case whether or not allowed or allowable in an Insolvency Proceeding. To the extent any payment with respect to any Term Loan Obligation (whether by or on behalf of any Loan Party, as Proceeds of security, enforcement of any right of setoff or otherwise) is declared to be a fraudulent transfer or a preference in any respect, set aside or required to be paid to an estate of a Loan Party, then the obligation or part thereof originally intended to be satisfied shall, for the purposes of this Agreement and the rights and obligations of the ABL Secured Parties and the Term Loan Secured Parties, be deemed to be reinstated and outstanding as if such payment had not occurred.

"Term Loan Obligations Payment Date" means the first date on which (a) the Term Loan Obligations (other than those that constitute Unasserted Contingent Obligations) have been indefeasibly paid in cash in full, (b) all commitments to extend credit under the Term Loan Documents have been terminated, (c) there are no outstanding letters of credit or similar instruments issued under the Term Loan Documents (other than such as have been cash collateralized or defeased in accordance with the terms of the Term Loan Documents or otherwise in a manner satisfactory to the applicable issuing banks), and (d) so long as the ABL Obligations Payment Date shall not have occurred, the Term Loan Representative has delivered a written notice to the ABL Representative stating that the events described in clauses (a), (b) and (c) have occurred to the satisfaction of the Term Loan Secured Parties.

"Term Loan Representative" has the meaning set forth in the introductory paragraph hereof. In the case of any Replacement Term Loan Agreement, the Term Loan Representative shall be the Person identified as such in such Agreement.

"Term Loan Secured Parties" means the Term Loan Representative, the Term Loan Creditors and any other holders of the Term Loan Obligations.

"Term Loan Security Documents" means the "Collateral Documents" as defined in the Term Loan Agreement, and any other documents that are designated under the Term Loan Agreement as "Term Loan Security Documents" for purposes of this Agreement.

"Trademarks" means, with respect to any Person, all of such Person's right, title, and interest in and to the following: (a) all trademarks (including service marks), trade names, trade dress, and trade styles and the registrations and applications for registration thereof and the goodwill of the business symbolized by the foregoing; (b) all licenses of the foregoing, whether as licensee or licensor; (c) all renewals of the foregoing; (d) all income, royalties, damages, and payments now or hereafter due or payable with respect thereto, including damages, claims, and payments for past and future infringements thereof; (e) all rights to sue for past, present, and future infringements of the foregoing, including the right to settle suits involving claims and demands for royalties owing; and (f) all rights corresponding to any of the foregoing throughout the world.

"Unasserted Contingent Obligations" shall mean, at any time, ABL Obligations or Term Loan Obligations, as applicable, for taxes, costs, indemnifications, reimbursements, damages and other liabilities (excluding the principal of, and interest and premium (if any) on, and fees and expenses relating to, any ABL Obligation or Term Loan Obligation, as applicable, and contingent reimbursement obligations in respect of amounts that may be drawn under outstanding letters of credit) in respect of which no assertion of liability (whether oral or written) and no claim or demand for payment (whether oral or written) has been made (and, in the case of ABL Obligations or Term Loan Obligations, as applicable, for indemnification, no notice for indemnification has been issued by the indemnitee) at such time.

"Uniform Commercial Code" shall mean the Uniform Commercial Code as in effect from time to time in the applicable jurisdiction.

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

SECTION 2. *Lien Priority*.

2.1 Lien Subordination. Notwithstanding the date, manner or order of grant, attachment or perfection of any Junior Lien in respect of any Collateral or of any Senior Lien in respect of any Collateral and notwithstanding any provision of the UCC, any applicable law, any Security Document, any alleged or actual defect or deficiency in any of the foregoing or any other circumstance whatsoever, the Junior Representative, on behalf of each Junior Secured Party, in respect of such Collateral hereby agrees that:

(a) any Senior Lien in respect of such Collateral, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, shall be and shall remain senior and prior to any Junior Lien in respect of such Collateral (whether or not such Senior Lien is subordinated to any Lien securing any other obligation); and

(b) any Junior Lien in respect of such Collateral, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to any Senior Lien in respect of such Collateral.

2.2 Prohibition on Contesting Liens. In respect of any Collateral, the Junior Representative, on behalf of each Junior Secured Party, agrees that it shall not, and hereby waives any right to:

(a) contest, or support any other Person in contesting, in any proceeding (including any Insolvency Proceeding), the priority, validity or enforceability of any Senior Lien on such Collateral; or

(b) demand, request, plead or otherwise assert or claim the benefit of any marshalling, appraisal, valuation or similar right which it may have in respect of such Collateral or the Senior Liens on such Collateral, except to the extent that such rights are expressly granted in this Agreement.

2.3 Nature of Obligations. The Term Loan Representative on behalf of itself and the other Term Loan Secured Parties acknowledges that a portion of the ABL Obligations represents debt that is revolving in nature and that the amount thereof that may be outstanding at any time or from time to time may be increased, reduced or repaid and subsequently reborrowed, and that the terms of the ABL Obligations and any ABL Agreement or any provision thereof may be waived, modified, extended, amended, restated or supplemented in accordance with the terms thereof from time to time, and that the aggregate amount of the ABL Obligations may be increased, replaced or refinanced, in each event, without notice to or consent by the Term Loan Secured Parties and without affecting the provisions hereof. The ABL Representative on behalf of itself and the other ABL Secured Parties acknowledges that Term Loan Obligations may be replaced or refinanced and the amount of any Term Loan Obligations may be increased, reduced, or repaid, and any Term Loan Document or any provision thereof may be waived, modified, extended, amended, restated or supplemented in accordance with the terms thereof from time to time, and that the aggregate amount of the Term Loan Obligations may be increased, replaced or refinanced, in each event, without notice to or consent by the ABL Secured Parties and without affecting the provisions hereof. The Lien Priorities provided in Section 2.1 shall not be altered or otherwise affected by any such amendment, modification, supplement, extension, repayment, reborrowing, increase, replacement, renewal, restatement or refinancing of either the ABL Obligations or the Term Loan Obligations, or any portion thereof. The provisions of this Section 2.3 are not intended to constitute a waiver of any restrictions (i) contained in the ABL Agreement applicable to the amount or terms of the Term Loan Obligations or (ii) contained in the Term Loan Agreement applicable to the amount or terms of the ABL Obligations.

2.4 No New Liens. (a) Until the ABL Obligations Payment Date, no Term Loan Secured Party shall acquire or hold any Lien on any assets of any Loan Party securing any Term Loan Obligation which assets are not also subject to the Lien of the ABL Representative under the ABL Documents, subject to the Lien Priority set forth herein. If any Term Loan Secured Party shall (nonetheless and in breach hereof) acquire or hold any Lien on any assets of any Loan Party securing any Term Loan Obligation which assets are not also subject to the Lien of the ABL Representative under the ABL Documents, subject to the Lien Priority set forth herein, then the Term Loan Representative (or the relevant Term Loan Secured Party) shall, without the need for any further consent of any other Term Loan Secured Party and notwithstanding anything to the contrary in any other Term Loan Document be deemed to also hold and have held such lien for the benefit of the ABL Representative as security for the ABL Obligations (subject to the Lien Priority and other terms hereof) and shall promptly notify the ABL Representative in writing of the existence of such Lien.

(b) Until the Term Loan Obligations Payment Date, no ABL Secured Party shall acquire or hold any Lien on any assets of any Loan Party securing any ABL Obligation which assets are not also subject to a Lien under the Term Loan Documents, subject to the Lien Priority set forth herein. If any ABL Secured Party shall (nonetheless and in breach hereof) acquire or hold any Lien on any assets of any Loan Party securing any ABL Obligation which assets are not also subject to a Lien under the Term Loan Documents, subject to the Lien Priority set forth herein, then the ABL Representative (or the relevant ABL Secured Party) shall, without the need for any further consent of any other ABL Secured Party and notwithstanding anything to the contrary in any other ABL Document be deemed to also hold and have held such lien for the benefit of the Term Loan Representative as security for the Term Loan Obligations (subject to the Lien Priority and other terms hereof) and shall promptly notify the Term Loan Representative in writing of the existence of such Lien.

2.5 Separate Grants of Security and Separate Classification. Each Secured Party acknowledges and agrees that (i) the grants of Liens pursuant to the ABL Security Documents and the Term Loan Security Documents constitute two separate and distinct grants of Liens and (ii) because of,

among other things, their differing rights in the Collateral, the Term Loan Obligations are fundamentally different from the ABL Obligations and should be separately classified in any plan of reorganization, plan of liquidation or similar plan proposed or adopted in an Insolvency Proceeding. To further effectuate the intent of the parties as provided in the immediately preceding sentence, if it is held that the ABL Obligations and the Term Loan Obligations constitute claims in the same class (rather than separate classes of secured claims), then the ABL Secured Parties and the Term Loan Secured Parties hereby acknowledge and agree that all distributions shall be made as if there were separate classes of ABL Obligations and Term Loan Obligations against the Loan Parties (with the effect being that, to the extent that the aggregate value of the ABL Collateral or Term Collateral is sufficient (for this purpose ignoring all claims held by the other Secured Parties), the ABL Secured Parties or the Term Loan Secured Parties, respectively, shall be entitled to receive, in addition to amounts distributed to them in respect of principal, pre-petition interest and other claims, all amounts owing in respect of Post-Petition Interest that are available from each pool of Priority Collateral for each of the ABL Secured Parties and the Term Loan Secured Parties, respectively, before any distribution is made in respect of the claims held by the other Secured Parties, with the other Secured Parties hereby acknowledging and agreeing to turn over to the respective other Secured Parties amounts otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the aggregate recoveries.

2.6 Agreements Regarding Actions to Perfect Liens. (a) The ABL Representative agrees on behalf of itself and the other ABL Secured Parties that all mortgages, deeds of trust, deeds and similar instruments (collectively, "mortgages") now or hereafter filed against Real Property in favor of or for the benefit of the ABL Representative shall contain the following notation: "The lien created by this mortgage on the property described herein is junior and subordinate to the lien on such property created by any mortgage, deed of trust or similar instrument now or hereafter granted Goldman Sachs Lending Partners LLC, as Term Loan Representative, in accordance with the provisions of the Intercreditor Agreement dated as of September 30, 2010, as amended from time to time."

(b) Each of the ABL Representative and the Term Loan Representative hereby acknowledges that, to the extent that it holds, or a third party holds on its behalf, physical possession of or "control" (as defined in the Uniform Commercial Code) over Collateral pursuant to the ABL Security Documents or the Term Loan Security Documents, as applicable, such possession or control is also for the benefit of the Term Loan Representative and the other Term Loan Secured Parties or the ABL Representative and the other ABL Secured Parties, as applicable, solely to the extent required to perfect their security interest (if any) in such Collateral; provided that control by the Term Loan Representative of the Prepayment Account shall not be for the benefit of the ABL Representative and the other ABL Secured Parties. Nothing in the preceding sentence shall be construed to impose any duty on the ABL Representative or the Term Loan Representative (or any third party acting on either such Person's behalf) with respect to such Collateral or provide the Term Loan Representative, any other Term Loan Secured Party, the ABL Representative or any other ABL Secured Party, as applicable, with any rights with respect to such Collateral beyond those specified in this Agreement, the ABL Security Documents and the Term Loan Security Documents, as applicable, provided that subsequent to the occurrence of the ABL Obligations Payment Date (so long as the Term Loan Obligations Payment Date shall not have occurred), the ABL Representative shall (i) deliver to the Term Loan Representative, at the Loan Parties' sole cost and expense, the Collateral in its possession or control together with any necessary endorsements to the extent required by the Term Loan Documents or (ii) direct and deliver such Collateral as a court of competent jurisdiction otherwise directs; provided, further, that subsequent to the occurrence of the Term Loan Obligations Payment Date (so long as the ABL Obligations Payment Date shall not have occurred), the Term Loan Representative shall (i) deliver to the ABL Loan Representative, at the Loan Parties' sole cost and expense, the Collateral in its possession or control together with any necessary endorsements to the

extent required by the ABL Documents or (ii) direct and deliver such Collateral as a court of competent jurisdiction otherwise directs; provided, further, that (i) prior to the occurrence of the Term Loan Obligations Payment Date, upon the request of the Term Loan Representative or the Borrower, the ABL Loan Representative shall turn over to the Term Loan Representative any Term Collateral of which it has physical possession, and (ii) prior to the occurrence of the ABL Obligations Payment Date, upon the request of the ABL Representative or the Borrower, the Term Loan Representative shall turn over to the ABL Representative any ABL Collateral of which it has physical possession. The provisions of this Agreement are intended solely to govern the respective Lien priorities as between the ABL Secured Parties and the Term Loan Secured Parties and shall not impose on the ABL Secured Parties or the Term Loan Secured Parties any obligations in respect of the disposition of any Collateral (or any proceeds thereof) that would conflict with prior perfected Liens or any claims thereon in favor of any other Person that is not a Secured Party.

SECTION 3. *Enforcement Rights.*

3.1 Exclusive Enforcement. Until the Senior Obligations Payment Date has occurred, whether or not an Insolvency Proceeding has been commenced by or against any Loan Party, the Senior Secured Parties shall have the exclusive right to take and continue any Enforcement Action (including the right to credit bid their debt) with respect to the Senior Collateral, without any consultation with or consent of any Junior Secured Party, but subject to the provisos set forth in Section 3.2 and 5.1. Upon the occurrence and during the continuance of an event of default under the Senior Documents, the Senior Representative and the other Senior Secured Parties may take and continue any Enforcement Action with respect to the Senior Obligations and the Senior Collateral in such order and manner as they may determine in their sole discretion in accordance with the terms and conditions of the Senior Documents.

3.2 Standstill and Waivers. Each Junior Representative, on behalf of itself and the other Junior Secured Parties, agrees that, until the Senior Obligations Payment Date has occurred, but subject to the proviso set forth in Section 5.1:

(i) they will not take or cause to be taken any action, the purpose or effect of which is to make any Lien on any Senior Collateral that secures any Junior Obligation pari passu with or senior to, or to give any Junior Secured Party any preference or priority relative to, the Liens on the Senior Collateral securing the Senior Obligations;

(ii) they will not contest, oppose, object to, interfere with, hinder or delay, in any manner, whether by judicial proceedings (including the filing of an Insolvency Proceeding) or otherwise, any foreclosure, sale, lease, exchange, transfer or other disposition of the Senior Collateral by any Senior Secured Party or any other Enforcement Action taken (or any forbearance from taking any Enforcement Action) in respect of the Senior Collateral by or on behalf of any Senior Secured Party;

(iii) they have no right to (x) direct either the Senior Representative or any other Senior Secured Party to exercise any right, remedy or power with respect to the Senior Collateral or pursuant to the Senior Security Documents in respect of the Senior Collateral or (y) consent or object to the exercise by the Senior Representative or any other Senior Secured Party of any right, remedy or power with respect to the Senior Collateral or pursuant to the Senior Security Documents with respect to the Senior Collateral or to the timing or manner in which any such right is exercised or not exercised (or, to the extent they may have any such right described in this clause (iii), whether as a junior lien creditor in respect of the Senior Collateral or otherwise, they hereby irrevocably waive such right);

(iv) they will not institute any suit or other proceeding or assert in any suit, Insolvency Proceeding or other proceeding any claim against any Senior Secured Party seeking damages from or other relief by way of specific performance, instructions or otherwise, with respect to, and no Senior Secured Party shall be liable for, any action taken or omitted to be taken by any Senior Secured Party with respect to the Senior Collateral or pursuant to the Senior Documents in respect of the Senior Collateral;

(v) they will not commence judicial or nonjudicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of any Senior Collateral, exercise any right, remedy or power with respect to, or otherwise take any action to enforce their interest in or realize upon, the Senior Collateral; and

(vi) they will not seek, and hereby waive any right, to have the Senior Collateral or any part thereof marshaled upon any foreclosure or other disposition of the Senior Collateral;

provided that, notwithstanding the foregoing, any Junior Secured Party may exercise its rights and remedies in respect of the Senior Collateral under the Junior Documents or applicable law (and any recovery therefrom shall be for the benefit of the Senior Secured Parties) after the passage of a period of 180 days (the **"**Standstill Period**"**) from the date of delivery of a notice in writing to the Senior Representative of its intention to exercise such rights and remedies, which notice may only be delivered following the occurrence of and during the continuation of an "Event of Default" under and as defined in the Junior Documents; provided, further, however, that, notwithstanding the foregoing, in no event shall any Junior Secured Party exercise or continue to exercise any such rights or remedies if, notwithstanding the expiration of the Standstill Period, (i) any Senior Secured Party shall have commenced and be diligently pursuing the exercise of any of its rights and remedies with respect to any of the Senior Collateral (prompt notice of such exercise to be given to the Junior Representative) or is diligently attempting to vacate any stay or prohibition against such exercise or (ii) an Insolvency Proceeding in respect of any Loan Party shall have been commenced; and provided, further, that in any Insolvency Proceeding commenced by or against any Loan Party, the Junior Representative and the Junior Secured Parties may not take any action except as expressly permitted by Section 5.

3.3 Judgment Creditors. In the event that any Term Loan Secured Party becomes a judgment lien creditor in respect of Collateral as a result of its enforcement of its rights as an unsecured creditor, such judgment lien shall be subject to the terms of this Agreement for all purposes (including in relation to the ABL Liens and the ABL Obligations) to the same extent as all other Liens securing the Term Loan Obligations are subject to the terms of this Agreement. In the event that any ABL Secured Party becomes a judgment lien creditor in respect of Collateral as a result of its enforcement of its rights as an unsecured creditor, such judgment lien shall be subject to the terms of this Agreement for all purposes (including in relation to the Term Loan Liens and the Term Loan Obligations) to the same extent as all other Liens securing the ABL Obligations are subject to the terms of this Agreement.

3.4 Cooperation; Sharing of Information and Access . (a) The Term Loan Representative, on behalf of itself and the other Term Loan Secured Parties, agrees that each of them shall take such actions as the ABL Representative shall reasonably request in connection with the exercise by the ABL Secured Parties of their rights set forth herein in respect of the ABL Collateral (at the sole cost and expense of the ABL Representative (but with the Loan Parties' reimbursement and indemnity obligations with respect thereto as provided in the ABL Documents, which shall not be limited hereby)). The ABL Representative, on behalf of itself and the other ABL Secured Parties, agrees that each of them shall take such actions as the Term Loan Representative shall reasonably request in connection with the exercise by

the Term Loan Secured Parties of their rights set forth herein in respect of the Term Collateral (at the sole cost and expense of the Term Loan Representative (but with the Loan Parties' reimbursement and indemnity obligations with respect thereto as provided in the Term Loan Documents, which shall not be limited hereby)).

(b) In the event that the ABL Representative shall, in the exercise of its rights under the ABL Security Documents or otherwise, receive possession or control of any books and Records of any Loan Party which contain information identifying or pertaining to the Term Collateral, the ABL Representative shall promptly notify the Term Loan Representative of such fact and, upon request from the Term Loan Representative and as promptly as practicable thereafter, either make available to the Term Loan Representative such books and Records for inspection and duplication or provide to the Term Loan Representative copies thereof. In the event that a Term Loan Representative shall, in the exercise of its rights under the Term Loan Security Documents or otherwise, receive possession or control of any books and records of any Loan Party which contain information identifying or pertaining to any of the ABL Collateral, the Term Loan Representative shall promptly notify the ABL Representative of such fact and, upon request from the ABL Representative and as promptly as practicable thereafter, either make available to the ABL Representative such books and records for inspection and duplication or provide the ABL Representative copies thereof. The Term Loan Representative hereby irrevocably grants the ABL Representative (or its designee) a non-exclusive worldwide license or right to use, consistent with applicable law, to the extent of the Term Loan Representative's interest therein and reasonably requested by the ABL Representative, exercisable without payment of royalty or other compensation, to use any of the Intellectual Property now or hereafter owned by, licensed to, or otherwise used by the Loan Parties in order for the ABL Representative (or its designee) and ABL Secured Parties to purchase, use, market, repossess, possess, store, assemble, manufacture, process, sell, transfer, distribute or otherwise dispose of any asset included in the ABL Collateral in connection with the liquidation, disposition or realization upon the ABL Collateral in accordance with the terms and conditions of the ABL Security Documents and the other ABL Documents. The Term Loan Representative agrees that any sale, transfer or other disposition of any of the Loan Parties' Intellectual Property (whether by foreclosure or otherwise) will be subject to the ABL Representative's rights as set forth in this Section 3.4.

(c) If the Term Loan Representative, or any agent or representative thereof, or any receiver, shall, after the commencement of any Enforcement Action, obtain possession or physical control of any of the Term Collateral, the Term Loan Representative shall promptly notify the ABL Representative in writing of that fact, and the ABL Representative shall, within ten Business Days thereafter, notify the Term Loan Representative in writing as to whether the ABL Representative desires to exercise access rights under this Agreement. In addition, if the ABL Representative, or any agent or representative of the ABL Representative, or any receiver, shall obtain possession or physical control of any of the Term Collateral in connection with an Enforcement Action, then the ABL Representative shall promptly notify the Term Loan Representative that the ABL Representative is exercising its access rights under this Agreement and its rights under Section 3.4 under either circumstance. Upon delivery of such notice by the ABL Representative to the Term Loan Representative, the ABL Representative and Term Loan Representative shall confer in good faith to coordinate with respect to the ABL Representative's exercise of such access rights, with such access rights to apply to any parcel or item of Term Collateral access to which is reasonably necessary to enable the ABL Representative during normal business hours to convert ABL Collateral consisting of raw materials and work-in-process into saleable finished goods and/or to transport such ABL Collateral to a point where such conversion can occur, to otherwise prepare ABL Collateral for sale and/or to arrange or effect the sale of ABL Collateral (including the conducting of auctions), all in accordance with the manner in which such matters are completed in the ordinary course of business. Consistent with the definition of "Access Period," access rights will apply to differing parcels or items of Term Collateral at differing times, in which case, a differing Access Period will apply

to each such parcel or items. During any pertinent Access Period, (i) the ABL Representative and its agents, representatives and designees shall have an irrevocable, non-exclusive right to have access to, and a rent-free right to use, the relevant parcel or item the Term Collateral for the purposes described above and (ii) the ABL Representative shall be obligated hereunder to reimburse the Term Loan Representative for all operating costs of such Term Collateral incurred after the commencement of the relevant Access Period (it being understood that operating costs shall not include insurance) to the extent (x) incurred as a result of the exercise by the ABL Representative of its access rights and (y) actually paid by the Term Loan Representative or the Term Loan Secured Parties. The ABL Representative shall take proper and reasonable care under the circumstances of any Term Collateral that is used by the ABL Representative during the Access Period and repair and replace any damage (ordinary wear-and-tear excepted) caused by the ABL Representative or its agents, representatives or designees, and leave the Term Collateral in substantially the same condition as it was at the commencement of the occupancy, use or control by the ABL Representative or its agents, representatives or designees (ordinary wear-and-tear excepted) and the ABL Representative shall comply with all applicable laws in all material respects in connection with its use or occupancy or possession of the ABL Collateral. The ABL Representative shall indemnify and hold harmless the Term Loan Representative and the Term Loan Creditors for any injury or damage to Persons or property (ordinary wear-and-tear excepted) and for any losses, claims, liabilities or expenses directly resulting from the occupancy, use or control by the ABL Representatives or its agents, representatives or designees or by the acts or omissions of Persons under its control; provided, however, that the ABL Representative and the ABL Creditors will not be liable for any diminution in the value of Term Collateral caused by the absence of the ABL Collateral therefrom. The ABL Representative and the Term Loan Representative shall cooperate and use reasonable efforts to ensure that their activities during the Access Period as described above do not interfere materially with the activities of the other as described above, including the right of Term Loan Representative to show the Term Collateral to prospective purchasers and to ready the Term Collateral for sale. Consistent with the definition of the term "Access Period," if any order or injunction is issued or stay is granted or is otherwise effective by operation of law that prohibits the ABL Representative from exercising any of its rights hereunder, then the Access Period granted to the ABL Representative under this Section 3.4 shall be stayed during the period of such prohibition and shall continue thereafter for the number of days remaining as required under this Section 3.4. The Term Loan Representative shall not foreclose or otherwise sell, remove or dispose of any of the Term Collateral during the Access Period with respect to such Collateral if the ABL Representative (acting in good faith) informs the Term Loan Representative in writing that such Collateral is reasonably necessary to enable the ABL Representative to convert, transport or arrange to sell the ABL Collateral as described above; provided, however, that nothing contained in this Agreement shall restrict the Term Loan Representative from foreclosing or otherwise selling, removing, transferring or disposing of any Term Collateral prior to the expiration of the Access Period if the purchaser, assignee or transferee agrees to be bound by the provisions of this Section 3.4(c) in writing (for the benefit of the ABL Representative and the ABL Secured Parties).

3.5 No Additional Rights For the Loan Parties Hereunder. Except as provided in Section 3.6 hereof, if any ABL Secured Party or Term Loan Secured Party shall enforce its rights or remedies in violation of the terms of this Agreement, no Loan Party shall be entitled to use such violation as a defense to any action by any ABL Secured Party or Term Loan Secured Party, nor to assert such violation as a counterclaim or basis for set off or recoupment against any ABL Secured Party or Term Loan Secured Party.

3.6 Actions Upon Breach. (a) If any ABL Secured Party or Term Loan Secured Party, contrary to this Agreement, commences or participates in any action or proceeding against any Loan Party or the Collateral, such Loan Party, with the prior written consent of the ABL Representative or the Term Loan Representative, as applicable, may interpose as a defense or dilatory plea the making of this

Agreement, and any ABL Secured Party or Term Loan Secured Party, as applicable, may intervene and interpose such defense or plea in its or their name or in the name of such Loan Party.

(b) Should any ABL Secured Party or Term Loan Secured Party, contrary to this Agreement, in any way take, attempt to or threaten to take any action with respect to the Collateral (including any attempt to realize upon or enforce any remedy with respect to this Agreement), or fail to take any action required by this Agreement, any ABL Secured Party or Term Loan Secured Party (in its own name or in the name of the relevant Loan Party), as applicable, may obtain relief against such ABL Secured Party or Term Loan Secured Party, as applicable, by injunction, specific performance and/or other appropriate equitable relief, it being understood and agreed by each of the ABL Representative on behalf of each ABL Secured Party and the Term Loan Representative on behalf of each Term Loan Secured Party that (i) the ABL Secured Parties' or Term Loan Secured Parties', as applicable, damages from its actions may at that time be difficult to ascertain and may be irreparable, and (ii) each Term Loan Secured Party or ABL Secured Party, as applicable, waives any defense that the Loan Parties and/or the Term Loan Secured Parties and/or ABL Secured Parties, as applicable, cannot demonstrate damage and/or be made whole by the awarding of damages.

SECTION 4. *Application of Proceeds of Senior Collateral; Dispositions and Releases of Lien; Notices and Insurance.*

4.1 Application of Proceeds.

(a) Application of Proceeds of Senior Collateral. The Senior Representative and Junior Representative hereby agree that all Senior Collateral, and all Proceeds thereof, received by either of them in connection with the collection, sale or disposition of Senior Collateral pursuant to any Enforcement Action or during any Insolvency Proceeding shall be applied,

first, to the payment of costs and expenses (including reasonable attorneys fees and expenses and court costs) of the Senior Representative in connection with such Enforcement Action or Insolvency Proceeding,

second, to the payment of the Senior Obligations in accordance with the Senior Documents until the Senior Obligations Payment Date,

third, to the payment of the Junior Obligations, in accordance with the Junior Documents, and

fourth, the balance, if any, to the Loan Parties or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

All Proceeds of any sale of a Loan Party as a whole, or substantially all of the assets of any Loan Party where the consideration received is not allocated by type of asset, in connection with or resulting from any Enforcement Action, and whether or not pursuant to an Insolvency Proceeding, shall be distributed as follows under clause "second" above: first to the ABL Representative for application to the ABL Obligations in accordance with the terms of the ABL Documents, up to the amount of the book value of the ABL Collateral disposed of in such sale or owned by such Loan Party (in the case of a sale of such Loan Party as a whole), and second to the Term Loan Representative for application to the Term Loan Obligations in accordance with the terms of the Term Loan Documents to the extent such Proceeds exceed the book value of such ABL Collateral.

(b) Limited Obligation or Liability. In exercising remedies, whether as a secured creditor or otherwise, the Senior Representative shall have no obligation or liability to the Junior Representative or to any Junior Secured Party, regarding the adequacy of any Proceeds or for any action or omission, save and except solely for an action or omission that breaches the express obligations undertaken by each party under the terms of this Agreement.

(c) Segregation of Collateral. Until the occurrence of the Senior Obligations Payment Date, any Senior Collateral that may be received by any Junior Secured Party in violation of this Agreement shall, to the extent practicable and in accordance with its normal practices, be segregated and held in trust and promptly paid over to the Senior Representative, for the benefit of the Senior Secured Parties, in the same form as received, with any necessary endorsements, and each Junior Secured Party hereby authorizes the Senior Representative to make any such endorsements as agent for the Junior Representative (which authorization, being coupled with an interest, is irrevocable).

4.2 Releases of Liens. (a) (i) Upon any release, sale or disposition of ABL Collateral permitted pursuant to the terms of the ABL Documents that results in the release of the ABL Lien (other than release of the ABL Lien due to the occurrence of the ABL Obligations Payment Date, and any release of the ABL Lien after the occurrence and during the continuance of any event of default under the Term Loan Agreement) on any ABL Collateral, the Term Loan Lien on such ABL Collateral (excluding any portion of the proceeds of such ABL Collateral remaining after the ABL Obligations Payment Date occurs) shall be automatically and unconditionally released with no further consent or action of any Person so long as such release, sale or disposition of ABL Collateral is permitted pursuant to the terms of the Term Loan Documents.

(ii) Upon any release, sale or disposition of ABL Collateral pursuant to any Enforcement Action that results in the release of the ABL Lien (other than release of the ABL Lien due to the occurrence of the ABL Obligations Payment Date) on any ABL Collateral pursuant to any Enforcement Action, the Term Loan Lien on such ABL Collateral (excluding any portion of the proceeds of such ABL Collateral remaining after the ABL Obligations Payment Date occurs) shall be automatically and unconditionally released with no further consent or action of any Person so long as the proceeds of such ABL Collateral are applied in accordance with Section 4.1(a) (with, in the case of ABL Obligations consisting of debt of a revolving nature, a corresponding permanent reduction in the commitments thereto).

(iii) The Term Loan Representative shall execute and deliver such release documents and instruments and shall take such further actions as the ABL Representative or the Borrower shall reasonably request in writing to evidence any release of the Term Loan Lien described herein. The Term Loan Representative hereby appoints the ABL Representative and any officer or duly authorized person of the ABL Representative, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power of attorney in the place and stead of the Term Loan Representative and in the name of the Term Loan Representative or in the ABL Representative's own name, from time to time, in the ABL Representative's sole discretion, for the purposes of carrying out the terms of this Section 4.2, to take any and all appropriate action and to execute and deliver any and all documents and instruments as may be necessary or desirable to accomplish the purposes of this Section 4.2, including any financing statements, endorsements, assignments, releases or other documents or instruments of transfer (which appointment, being coupled with an interest, is irrevocable).

(b) (i) Upon any release, sale or disposition of Term Collateral permitted pursuant to the terms of the Term Loan Documents that results in the release of the Term Loan Lien (other than release of the Term Loan Lien due to the occurrence of the Term Loan Obligations Payment Date, and any release of

the Term Loan Lien after the occurrence and during the continuance of any event of default under the ABL Agreement) on any Term Collateral, the ABL Lien on such Term Collateral (excluding any portion of the proceeds of such Term Collateral remaining after the Term Loan Obligations Payment Date occurs) shall be automatically and unconditionally released with no further consent or action of any Person so long as such release, sale or disposition of Term Collateral is permitted pursuant to the terms of the ABL Documents.

(ii) Upon any release, sale or disposition of Term Collateral pursuant to any Enforcement Action that results in the release of the Term Loan Lien (other than release of the Term Loan Lien due to the occurrence of the Term Loan Obligations Payment Date) on any Term Collateral pursuant to any Enforcement Action, the ABL Lien on such Term Collateral (excluding any portion of the proceeds of such Term Collateral remaining after the Term Loan Obligations Payment Date occurs) shall be automatically and unconditionally released with no further consent or action of any Person so long as the proceeds of such Term Collateral are applied in accordance with Section 4.1(a) (with, in the case of Term Loan Obligations consisting of debt of a revolving nature, a corresponding permanent reduction in the commitments thereto).

(iii) The ABL Representative shall promptly execute and deliver such release documents and instruments and shall take such further actions as the Term Loan Representative or the Borrower shall request in writing to evidence any release of the ABL Lien described herein. The ABL Representative hereby appoints the Term Loan Representative and any officer or duly authorized person of the Term Loan Representative, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power of attorney in the place and stead of the ABL Representative and in the name of the ABL Representative or in the Term Loan Representative's own name, from time to time, in the Term Loan Representative's sole discretion, for the purposes of carrying out the terms of this Section 4.2, to take any and all appropriate action and to execute and deliver any and all documents and instruments as may be necessary or desirable to accomplish the purposes of this Section 4.2, including any financing statements, endorsements, assignments, releases or other documents or instruments of transfer (which appointment, being coupled with an interest, is irrevocable).

4.3 Certain Real Property Notices; Insurance. (a) The Term Loan Representative shall give the ABL Representative at least 30 days notice prior to commencing any Enforcement Action against any Real Property (including, for the avoidance of doubt, the commencement of any action against title insurance policies) owned by any Loan Party at which ABL Collateral is stored or otherwise located or to dispossess any Loan Party from such Real Property.

(b) Proceeds of Collateral include insurance proceeds and therefore the Lien Priority shall govern the ultimate disposition of casualty insurance proceeds. The ABL Representative and Term Loan Representative shall be named as additional insureds and loss payees with respect to all insurance policies relating to Collateral. The ABL Representative shall have the sole and exclusive right, as against the Term Loan Representative, to adjust settlement of insurance claims in the event of any covered loss, theft or destruction of ABL Collateral. The Term Loan Representative shall have the sole and exclusive right, as against the ABL Representative, to adjust settlement of insurance claims in the event of any covered loss, theft or destruction of Term Collateral. All proceeds of such insurance shall be remitted to the Loan Parties, the ABL Representative or the Term Loan Representative, as the case may be, and each of the Term Loan Representative and ABL Representative shall cooperate (if necessary) in a reasonable manner in effecting the payment of insurance proceeds in accordance with Section 4.1.

SECTION 5. *Insolvency Proceedings.*

5.1 Filing of Motions. Until the Senior Obligations Payment Date has occurred, the Junior Representative agrees on behalf of itself and the other Junior Secured Parties that no Junior Secured Party shall, in or in connection with any Insolvency Proceeding, file any pleadings or motions, take any position at any hearing or proceeding of any nature, or otherwise take any action whatsoever, in each case in respect of any of the Senior Collateral, including with respect to the determination of any Liens or claims held by the Senior Representative (including the validity and enforceability thereof) or any other Senior Secured Party in respect of any Senior Collateral or the value of any claims of such parties under Section 506(a) of the Bankruptcy Code or otherwise; provided that the Junior Representative may (i) file a proof of claim in an Insolvency Proceeding, and (ii) file any necessary responsive or defensive pleadings in opposition of any motion or other pleadings made by any Person objecting to or otherwise seeking the disallowance of the claims of the Junior Secured Parties on the Senior Collateral, subject to the limitations contained in this Agreement and only if consistent with the terms and the limitations on the Junior Representative imposed hereby.

5.2 Financing Matters. (a) If any Loan Party becomes subject to any Insolvency Proceeding under the Bankruptcy Code at any time prior to the ABL Obligations Payment Date, and if the ABL Representative or the other ABL Secured Parties desire to consent (or not object) to the use of cash collateral under the Bankruptcy Code or to provide financing to any Loan Party under the Bankruptcy Code or to consent (or not object) to the provision of such financing to any Loan Party by any third party (any such financing, " ABL DIP Financing"), then the Term Loan Representative agrees, on behalf of itself and the other Term Loan Secured Parties, that each Term Loan Secured Party (i) (x) will be deemed to have consented to, will raise no objection to, nor support any other Person objecting to, the use of such cash collateral or to such ABL DIP Financing on any grounds, including failure to provide "adequate protection" of the Term Loan Representative's Lien on the Collateral to secure the Term Loan Obligations and (y) will not request any adequate protection solely as a result of such ABL DIP Financing except as set forth in Section 5.4 below and (ii) will subordinate (and will be deemed hereunder to have subordinated) the Term Loan Liens on any ABL Collateral (A) to the Liens securing such ABL DIP Financing on the same terms as the ABL Liens are subordinated thereto (and such subordination will not alter in any manner the terms of this Agreement), (B) to any replacement liens provided as adequate protection to the ABL Secured Parties as set forth in Section 5.4 below and (C) to any "carve-out" agreed to by the ABL Representative or the other ABL Secured Parties, so long as (x) the Term Loan Representative retains its Lien on the Collateral to secure the Term Loan Obligations (in each case, including Proceeds thereof arising after the commencement of the case under the Bankruptcy Code) and, as to the Term Collateral only, such Lien has the same priority as existed prior to the commencement of the case under the Bankruptcy Code and any Lien securing such ABL DIP Financing is junior and subordinate to the Lien of the Term Loan Representative on the Term Collateral, (y) all Liens on ABL Collateral securing any such ABL DIP Financing shall be senior to or on a parity with the Liens of the ABL Representative and the ABL Lenders securing the ABL Obligations on ABL Collateral and (z) the aggregate principal amount of such ABL DIP Financing (including any undrawn portion of the revolving commitments thereunder, and including the face amount of any letters of credit issued and not reimbursed under such ABL DIP Financing), together with the aggregate outstanding principal amount of indebtedness and unfunded commitments under the ABL Agreement, does not exceed $165,000,000. In no event will any of the ABL Secured Parties seek to obtain a priming Lien on any of the Term Collateral and nothing contained herein shall be deemed to be a consent by Term Loan Secured Parties to any adequate protection payments using Term Collateral.

(b) If any Loan Party becomes subject to any Insolvency Proceeding under the Bankruptcy Code at any time prior to the Term Loan Obligations Payment Date, and if the Term Loan Representative or the other Term Loan Secured Parties desire to consent (or not object) to the use of cash collateral under the Bankruptcy Code or to provide financing to any Loan Party under the Bankruptcy Code or to consent (or

not object) to the provision of such financing to any Loan Party by any third party (any such financing, " Term Loan DIP Financing"), then the ABL Representative agrees, on behalf of itself and the other ABL Secured Parties, that each ABL Secured Party (i) (x) will be deemed to have consented to, will raise no objection to, nor support any other Person objecting to the use of such cash collateral or to such Term Loan DIP Financing on any grounds, including failure to provide "adequate protection" of the ABL Representative's Lien on the Collateral to secure the ABL Obligations and (y) will not request any adequate protection solely as a result of such Term Loan DIP Financing except as set forth in Section 5.4 below and (ii) will subordinate (and will be deemed hereunder to have subordinated) the ABL Liens on any Term Collateral (A) to the Liens securing such Term Loan DIP Financing on the same terms as the Term Loan Liens are subordinated thereto (and such subordination will not alter in any manner the terms of this Agreement), (B) to any replacement liens provided as adequate protection to the Term Loan Secured Parties as set forth in Section 5.4 below and (C) to any "carve-out" agreed to by the Term Loan Representative or the other Term Loan Secured Parties, so long as (x) the ABL Representative retains its Lien on the Collateral to secure the ABL Obligations (in each case, including Proceeds thereof arising after the commencement of the case under the Bankruptcy Code) and, as to the ABL Collateral only, such Lien has the same priority as existed prior to the commencement of the case under the Bankruptcy Code and any Lien securing such Term Loan DIP Financing is junior and subordinate to the Lien of the ABL Representative on the ABL Collateral and (y) all Liens on Term Collateral securing any such Term Loan DIP Financing shall be senior to or on a parity with the Liens of the Term Loan Representative and the Term Loan Secured Parties securing the Term Loan Obligations on Term Collateral. In no event will any of the Term Loan Secured Parties seek to obtain a priming Lien on any of the ABL Collateral, and nothing contained herein shall be deemed to be a consent by the ABL Secured Parties to any adequate protection payments using ABL Collateral.

(c) All Liens granted to the Term Loan Representative or the ABL Representative in any Insolvency Proceeding, whether as adequate protection or otherwise, are intended to be and shall be deemed to be subject to the Lien Priority and the other terms and conditions of this Agreement.

5.3 Relief From the Automatic Stay. Until the ABL Obligations Payment Date, the Term Loan Representative agrees, on behalf of itself and the other Term Loan Secured Parties, that none of them will seek relief from the automatic stay or from any other stay in any Insolvency Proceeding or take any action in derogation thereof, in each case in respect of any ABL Collateral, without the prior written consent of the ABL Representative. Until the Term Loan Obligations Payment Date, the ABL Representative agrees, on behalf of itself and the other ABL Secured Parties, that none of them will seek relief from the automatic stay or from any other stay in any Insolvency Proceeding or take any action in derogation thereof, in each case in respect of any Term Collateral, without the prior written consent of the Term Loan Representative. In addition, neither the Term Loan Representative nor the ABL Representative shall seek any relief from the automatic stay with respect to any Collateral without providing 5 days' prior written notice to the other, unless otherwise agreed by both the ABL Representative and the Term Loan Representative.

5.4 Adequate Protection. (a) The Term Loan Representative, on behalf of itself and the other Term Loan Secured Parties, agrees that, prior to the ABL Obligations Payment Date, so long as the ABL Representative and the other ABL Secured Parties comply with Section 5.4(b), none of them shall object, contest, or support any other Person objecting to or contesting, (i) any request by the ABL Representative or the other ABL Secured Parties for adequate protection of its interest in the Collateral or any adequate protection provided to the ABL Representative or the other ABL Secured Parties or (ii) any objection by the ABL Representative or any other ABL Secured Parties to any motion, relief, action or proceeding based on a claim of a lack of adequate protection in the Collateral or (iii) the periodic payment of amounts equal to interest, fees, expenses or other amounts provided to the ABL Representative or any

other ABL Secured Party as adequate protection of its interest in the Collateral; provided that any action described in the foregoing clauses (i) and (ii) does not violate Section 5.2. The Term Loan Representative, on behalf of itself and the other Term Loan Secured Parties, further agrees that, prior to the ABL Obligations Payment Date, none of them shall support any other Person asserting or enforcing any claim under 506(c) of the Bankruptcy Code that is senior to or on a parity with the ABL Liens for costs or expenses of preserving or disposing of any ABL Collateral. Notwithstanding anything to the contrary set forth in this Section and in Section 5.2(a)(i)(y), but subject to all other provisions of this Agreement (including Section 5.2(a)(i)(x) and Section 5.3), in any Insolvency Proceeding, if the ABL Secured Parties (or any subset thereof) are granted adequate protection consisting of additional collateral that constitutes ABL Collateral (with replacement liens on such additional collateral) and superpriority claims in connection with any ABL DIP Financing or use of cash collateral, and the ABL Secured Parties do not object to the adequate protection being provided to them, then in connection with any such ABL DIP Financing or use of cash collateral the Term Loan Representative, on behalf of itself and any of the Term Loan Secured Parties, may, as adequate protection of their interests in the ABL Collateral, seek or accept (and the ABL Representative and the ABL Secured Parties shall not object to) adequate protection consisting solely of (x) a replacement Lien on the same additional collateral, subordinated to the Liens securing the ABL Obligations and such ABL DIP Financing on the same basis as the other Term Loan Liens on the ABL Collateral are so subordinated to the ABL Obligations under this Agreement and (y) superpriority claims junior in all respects to the superpriority claims granted to the ABL Secured Parties, provided, however, that the Term Loan Representative shall have irrevocably agreed, pursuant to Section 1129(a)(9) of the Bankruptcy Code, on behalf of itself and the Term Loan Secured Parties, in any stipulation and/or order granting such adequate protection, that such junior superpriority claims may be paid under any plan of reorganization in any combination of cash, debt, equity or other property having a value on the effective date of such plan equal to the allowed amount of such claims.

(b) The ABL Representative, on behalf of itself and the other ABL Secured Parties, agrees that, prior to the Term Loan Obligations Payment Date, so long as the Term Loan Representative and the other Term Loan Secured Parties comply with Section 5.4(a), none of them shall object, contest, or support any other Person objecting to or contesting, (i) any request by the Term Loan Representative or the other Term Loan Secured Parties for adequate protection of its interest in the Collateral or any adequate protection provided to the Term Loan Representative or the other Term Loan Secured Parties or (ii) any objection by the Term Loan Representative or any other Term Loan Secured Parties to any motion, relief, action or proceeding based on a claim of a lack of adequate protection in the Collateral or (iii) the periodic payment of amounts equal to interest, fees, expenses or other amounts to the Term Loan Representative or any other Term Loan Secured Party as adequate protection of its interest in the Collateral; provided that any action described in the foregoing clauses (i) and (ii) does not violate Section 5.2. The ABL Representative, on behalf of itself and the other ABL Secured Parties, further agrees that, prior to the Term Loan Obligations Payment Date, none of them shall support any other Person asserting or enforcing any claim under Section 506(c) of the Bankruptcy Code or otherwise that is senior to or on a parity with the Term Loan Liens for costs or expenses of preserving or disposing of any Term Collateral. Notwithstanding anything to the contrary set forth in this Section and in Section 5.2(b)(i)(y), but subject to all other provisions of this Agreement (including Section 5.2(b)(i)(x) and Section 5.3), in any Insolvency Proceeding, if the Term Loan Secured Parties (or any subset thereof) are granted adequate protection consisting of additional collateral that constitutes Term Collateral (with replacement liens on such additional collateral) and superpriority claims in connection with any DIP Financing or use of cash collateral, and the Term Loan Secured Parties do not object to the adequate protection being provided to them, then in connection with any such DIP Financing or use of cash collateral the ABL Representative, on behalf of itself and any of the ABL Secured Parties, may, as adequate protection of their interests in the Term Collateral, seek or accept (and the Term Loan Representative and the Term Loan Secured Parties shall not object to) adequate protection consisting solely of (x) a replacement Lien on the same

additional collateral, subordinated to the Liens securing the Term Loan Obligations on the same basis as the other ABL Liens on the Term Collateral are so subordinated to the Term Loan Obligations under this Agreement and (y) superpriority claims junior in all respects to the superpriority claims granted to the Term Loan Secured Parties, provided, however, that the ABL Representative shall have irrevocably agreed, pursuant to Section 1129(a)(9) of the Bankruptcy Code, on behalf of itself and the ABL Secured Parties, in any stipulation and/or order granting such adequate protection, that such junior superpriority claims may be paid under any plan of reorganization in any combination of cash, debt, equity or other property having a value on the effective date of such plan equal to the allowed amount of such claims.

5.5 Avoidance Issues. If any Secured Party is required in any Insolvency Proceeding or otherwise to disgorge, turn over or otherwise pay to the estate of any Loan Party, because such amount was avoided or ordered to be paid or disgorged for any reason, including because it was found to be a fraudulent or preferential transfer, any amount (a "Recovery"), whether received as proceeds of security, enforcement of any right of set-off or otherwise, then the Secured Obligations shall be reinstated to the extent of such Recovery and deemed to be outstanding as if such payment had not occurred. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto. The Secured Parties agree that none of them shall be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by preference or otherwise, it being understood and agreed that the benefit of such avoidance action otherwise allocable to them shall instead be allocated and turned over for application in accordance with the priorities set forth in this Agreement.

5.6 Asset Dispositions in an Insolvency Proceeding. Neither the Junior Representative nor any other Junior Secured Party shall, in an Insolvency Proceeding or otherwise, oppose any sale or disposition of any Senior Collateral that is supported by the Senior Secured Parties, and the Junior Representative and each other Junior Secured Party will be deemed to have consented under Section 363 of the Bankruptcy Code (and otherwise) to any sale of any Senior Collateral supported by the Senior Secured Parties and to have released the Junior Liens on such assets so long as the Lien of each Secured Party attaches to the proceeds of any such sale with the same priority as provided under this Agreement in respect of the Collateral.

5.7 Other Matters. To the extent that the Senior Representative or any Senior Secured Party has or acquires rights under Section 363 or Section 364 of the Bankruptcy Code with respect to any of the Collateral on which it has a Junior Lien, such Senior Representative agrees, on behalf of itself and the other Senior Secured Parties, not to assert any of such rights without the prior written consent of the Junior Representative; provided that if requested by the Junior Representative, such Senior Representative shall timely exercise such rights in the manner requested by the Junior Representative, including any rights to payments in respect of such rights.

5.8 Post-Petition Interest. None of the Junior Representative nor any Junior Secured Party shall oppose or seek to challenge any claim by the Senior Representative or any other Senior Secured Party for allowance in any Insolvency Proceeding of Senior Obligations consisting of Post-Petition Interest to the extent of the value of the Liens in favor of the Senior Representative and the other Senior Secured Parties, without regard to the existence of the Liens of the Junior Representative on behalf of the Junior Secured Parties on the Collateral.

5.9 Effectiveness in Insolvency Proceedings. This Agreement, which the parties hereto expressly acknowledge is a "subordination agreement" under section 510(a) of the Bankruptcy Code, shall be effective during an Insolvency Proceeding.

SECTION 6. *Term Loan Documents and ABL Documents.*

(a) Each Loan Party and the Term Loan Representative, on behalf of itself and the Term Loan Secured Parties, agrees that it shall not at any time execute or deliver any amendment or other modification to any of the Term Loan Documents in violation of this Agreement.

(b) Each Loan Party and the ABL Representative, on behalf of itself and the ABL Secured Parties, agrees that it shall not at any time execute or deliver any amendment or other modification to any of the ABL Documents in violation of this Agreement.

(c) In the event the Senior Representative enters into any amendment, waiver or consent in respect of any of the Senior Security Documents which is not materially adverse to the Junior Secured Parties for the purpose of adding to, or deleting from, or waiving or consenting to any departures from any provisions of, any Senior Security Document or changing in any manner the rights of any parties thereunder, in each case solely with respect to any Senior Collateral, then such amendment, waiver or consent shall apply automatically to any comparable provision of the Comparable Security Document without the consent of or action by any Junior Secured Party (with all such amendments, waivers and modifications subject to the terms hereof); provided that, (i) no such amendment, waiver or consent shall have the effect of removing assets subject to the Lien of any Junior Security Document, except to the extent that a release of such Lien is permitted by Section 4.2, (ii) any such amendment, waiver or consent that materially and adversely affects the rights of the Junior Secured Parties and does not affect the Senior Secured Parties in a like or similar manner shall not apply to the Junior Security Documents without the consent of the Junior Representative, (iii) no such amendment, waiver or consent with respect to any provision applicable to the Junior Representative under the Junior Loan Documents shall be made without the prior written consent of the Junior Representative, (iv) notice of such amendment, waiver or consent shall be given to the Junior Representative reasonably in advance of its effectiveness, provided that the failure to give such notice shall not affect the effectiveness and validity thereof and (v) such amendment, waiver or modification to the applicable Junior Security Documents shall be approved by the Borrower in writing.

SECTION 7. *Purchase Options.*

7.1 Notice of Exercise. (a) If (i) an "Event of Default" under the ABL Documents remains uncured or unwaived for at least forty-five (45) consecutive days and the requisite ABL Lenders have not agreed to forbear from the exercise of remedies (or, if earlier, within five (5) Business Days after the ABL Representative notifies the Term Loan Representative that it shall exercise remedies), (ii) any of the ABL Obligations have been accelerated in accordance with the terms of the ABL Documents as a result of an event of default thereunder or (iii) an Insolvency Proceeding has commenced, all or a portion of the Term Loan Creditors, acting as a single group, shall have the option at any time upon five (5) Business Days' prior written notice to the ABL Representative to purchase all of the ABL Obligations (including unfunded commitments, if any, under the ABL Documents) from the ABL Secured Parties. Such notice from such Term Loan Creditors to the ABL Representative shall be irrevocable.

(b) If (i) an "Event of Default" under the Term Loan Documents remains uncured or unwaived for at least forty-five (45) consecutive days and the Term Loan Representative has not agreed to forbear from the exercise of remedies (or, if earlier, within five (5) Business Days after the Term Loan Representative notifies the ABL Representative that it shall exercise remedies), (ii) any of the Term Loan Obligations have been accelerated in accordance with the terms of the Term Loan Documents as a result of an event of default thereunder or (iii) an Insolvency Proceeding has commenced, all or a portion of the ABL Creditors, acting as a single group, shall have the option at any time upon five (5) Business Days'

prior written notice to the Term Loan Representative to purchase all of the Term Loan Obligations (including unfunded commitments, if any, under the Term Loan Documents) from the Term Loan Creditors. Such notice from such ABL Creditors to the Term Loan Representative shall be irrevocable.

7.2 Purchase and Sale. (a) On the date specified by the relevant Term Loan Creditors in the notice contemplated by Section 7.1(a) above (which shall not be less than five (5) Business Days, nor more than twenty (20) calendar days, after the receipt by the ABL Representative of the notice of the relevant Term Loan Creditor's election to exercise such option), the ABL Lenders shall sell to the relevant Term Loan Creditors, and the relevant Term Loan Creditors shall purchase from the ABL Lenders, the ABL Obligations (including unfunded commitments, if any, under the ABL Documents), provided that, the ABL Representative and the ABL Secured Parties shall retain all rights to be indemnified or held harmless by the Loan Parties in accordance with the terms of the ABL Documents but shall not retain any rights to the security therefor.

(b) On the date specified by the relevant ABL Creditors in the notice contemplated by Section 7.1(b) above (which shall not be less than five (5) Business Days, nor more than twenty (20) calendar days, after the receipt by Term Loan Representative of the notice of the relevant ABL Creditor's election to exercise such option), the Term Loan Creditors shall sell to the relevant ABL Creditors, and the relevant ABL Creditors shall purchase from the Term Loan Creditors, the Term Loan Obligations (including unfunded commitments, if any, under the Term Loan Documents), provided that, the Term Loan Representative and the Term Loan Secured Parties shall retain all rights to be indemnified or held harmless by the Loan Parties in accordance with the terms of the Term Loan Documents but shall not retain any rights to the security therefor.

7.3 Payment of Purchase Price. Upon the date of such purchase and sale, the relevant Term Loan Creditors or the relevant ABL Creditors, as applicable, shall (a) pay to the ABL Representative for the benefit of the ABL Creditors (with respect to a purchase of the ABL Obligations) or to the Term Loan Representative for the benefit of the Term Loan Creditors (with respect to a purchase of the Term Loan Obligations) as the purchase price therefor the full amount of all the ABL Obligations or Term Loan Obligations, as applicable, then outstanding and unpaid (including principal, interest, fees and expenses, including reasonable attorneys' fees and legal expenses but specifically excluding any prepayment premium, termination or similar fees), (b) furnish cash collateral to the ABL Representative or the Term Loan Representative in a manner and in such amounts as the ABL Representative or the Term Loan Representative, as applicable, determines is reasonably necessary to secure the ABL Representative and the ABL Secured Parties or the Term Loan Representative and the Term Loan Secured Parties, along with the applicable letter of credit issuing banks and applicable affiliates in connection with any issued and outstanding letters of credit (not to exceed 103% of the aggregate undrawn face amount of such Letters of Credit) and cash management obligations secured by the ABL Documents or the Term Loan Documents, (c) with respect to hedging obligations, furnish cash collateral to the ABL Representative or the Term Loan Representative in the amount that would be payable by the relevant Obligor thereunder if it were to terminate such hedging obligations on the date of such purchase, or, if not terminated, an amount determined by the ABL Representative or the Term Loan Representative, as applicable, to be reasonably necessary to secure the ABL Representative and the ABL Secured Parties or the Term Loan Representative and the Term Loan Secured Parties and the applicable affiliates in connection with any hedging obligation secured by the ABL Documents or the Term Loan Documents, (d) agree to reimburse the ABL Representative and the ABL Secured Parties or the Term Loan Representative and the Term Loan Secured Parties, along with any letter of credit issuing banks for any loss, cost, damage or expense (including reasonable attorneys' fees and legal expenses) in connection with any commissions, fees, costs or expenses related to any issued and outstanding letters of credit as described above and any checks or other payments provisionally credited to the ABL Obligations or the Term Loan Obligations, and/or as to

which the ABL Representative or the Term Loan Representative, as applicable, has not yet received final payment, (e) agree to reimburse the ABL Secured Parties or the Term Loan Secured Parties, as applicable, and the applicable letter of credit issuing banks, in respect of indemnification obligations of the Loan Parties under the ABL Documents or the Term Loan Documents, as applicable, as to matters or circumstances known to the ABL Representative or the Term Loan Representative, as applicable, at the time of the purchase and sale which would reasonably be expected to result in any loss, cost, damage or expense (including reasonable attorneys' fees and legal expenses) to the ABL Secured Parties, the Term Loan Secured Parties or letter of credit issuing banks, as applicable, and (f) agree to indemnify and hold harmless the ABL Secured Parties or the Term Loan Secured Parties, as applicable, and the applicable letter of credit issuing banks, from and against any loss, liability, claim, damage or expense (including reasonable fees and expenses of legal counsel) arising out of any claim asserted by a third party in respect of the ABL Obligations or the Term Loan Obligations, as applicable, as a direct result of any acts by any Term Loan Secured Party or any ABL Secured Party, as applicable, occurring after the date of such purchase. Such purchase price and cash collateral shall be remitted by wire transfer in federal funds to such bank account in New York, New York as the ABL Representative or the Term Loan Representative, as applicable, may designate in writing for such purpose.

7.4 Limitation on Representations and Warranties. Such purchase shall be expressly made without representation or warranty of any kind by any selling party (or the ABL Representative or the Term Loan Representative, as applicable) and without recourse of any kind, except that the selling party shall represent and warrant: (a) the amount of the ABL Obligations or Term Loan Obligations, as applicable, being purchased from it, (b) that such ABL Secured Party or Term Loan Secured Party, as applicable, or the Borrower owns the ABL Obligations or Term Loan Obligations, as applicable, free and clear of any Liens or encumbrances and (c) that such ABL Secured Party or Term Loan Secured Party, as applicable, has the right to assign such ABL Obligations or Term Loan Obligations, as applicable, and the assignment is duly authorized.

SECTION 8. *Reliance; Waivers; etc.*

8.1 Reliance. The ABL Documents are deemed to have been executed and delivered, and all extensions of credit thereunder are deemed to have been made or incurred, in reliance upon this Agreement. The Term Loan Representative, on behalf of it itself and the other Term Loan Secured Parties, expressly waives all notice of the acceptance of and reliance on this Agreement by the ABL Representative and the other ABL Secured Parties. The Term Loan Documents are deemed to have been executed and delivered and all extensions of credit thereunder are deemed to have been made or incurred, in reliance upon this Agreement. The ABL Representative, on behalf of itself and the other ABL Secured Parties, expressly waives all notices of the acceptance of and reliance on this Agreement by the Term Loan Representative and the other Term Loan Secured Parties.

8.2 No Warranties or Liability. The Term Loan Representative and the ABL Representative acknowledge and agree that neither has made any representation or warranty with respect to the execution, validity, legality, completeness, collectability or enforceability of any other ABL Document or any Term Loan Document. Except as otherwise provided in this Agreement, the Term Loan Representative and the ABL Representative will be entitled to manage and supervise the respective extensions of credit to any Loan Party in accordance with law and their usual practices, modified from time to time as they deem appropriate.

8.3 No Waivers. No right or benefit of any party hereunder shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of such party or any other party hereto or by any noncompliance by any Loan Party with the terms and conditions of any of the ABL Documents or the

Term Loan Documents.

SECTION 9. *Obligations Unconditional.* All rights, interests, agreements and obligations hereunder of the Senior Representative and the Senior Secured Parties in respect of any Collateral and the Junior Representative and the Junior Secured Parties in respect of such Collateral shall remain in full force and effect regardless of:

(a) any lack of validity or enforceability of any Senior Document or any Junior Document and regardless of whether the Liens of the Senior Representative and Senior Secured Parties are not perfected or are voidable for any reason;

(b) any change in the time, manner or place of payment of, or in any other terms of, all or any of the Senior Obligations or Junior Obligations, or any amendment or waiver or other modification, including any increase in the amount thereof or any refinancing, whether by course of conduct or otherwise, of the terms of any Senior Document or any Junior Document;

(c) any exchange, release or lack of perfection of any Lien on any Collateral or any other asset, or any amendment, waiver or other modification, whether in writing or by course of conduct or otherwise, of all or any of the Senior Obligations or Junior Obligations or any guarantee thereof;

(d) the commencement of any Insolvency Proceeding in respect of any Loan Party; or

(e) any other circumstances which otherwise might constitute a defense available to, or a discharge of, any Loan Party in respect of any Secured Obligation or of any Junior Secured Party in respect of this Agreement.

SECTION 10. *Miscellaneous.*

10.1 Rights of Subrogation. The Term Loan Representative, for and on behalf of itself and the Term Loan Secured Parties, agrees that no payment to the ABL Representative or any ABL Secured Party pursuant to the provisions of this Agreement shall entitle the Term Loan Representative or any Term Loan Secured Party to exercise any rights of subrogation in respect thereof until the ABL Obligations Payment Date. Following the ABL Obligations Payment Date, the ABL Representative agrees to execute such documents, agreements, and instruments as the Term Loan Representative or any Term Loan Secured Party may reasonably request to evidence the transfer by subrogation to any such Person of an interest in the ABL Obligations resulting from payments to the ABL Representative by such Person, so long as all costs and expenses (including all reasonable legal fees and disbursements) incurred in connection therewith by the ABL Representative are paid by such Person upon request for payment thereof. The ABL Representative, for and on behalf of itself and the ABL Secured Parties, agrees that no payment to the Term Loan Representative or any Term Loan Secured Party pursuant to the provisions of this Agreement shall entitle the ABL Representative or any ABL Secured Party to exercise any rights of subrogation in respect thereof until the Term Loan Obligations Payment Date. Following the Term Loan Obligations Payment Date, the Term Loan Representative agrees to execute such documents, agreements, and instruments as the ABL Representative or any ABL Secured Party may reasonably request to evidence the transfer by subrogation to any such Person of an interest in the Term Loan Obligations resulting from payments to the Term Loan Representative by such Person, so long as all costs and expenses (including all reasonable legal fees and disbursements) incurred in connection therewith by the Term Loan Representative are paid by such Person upon request for payment thereof.

10.2 Further Assurances. Each of the Term Loan Representative and the ABL Representative

will, at any time and from time to time, promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the other party may reasonably request, in order to protect any right or interest granted or purported to be granted hereby or to enable the ABL Representative or the Term Loan Representative to exercise and enforce its rights and remedies hereunder; provided, however, that no party shall be required to pay over any payment or distribution, execute any instruments or documents, or take any other action referred to in this Section 10.2, to the extent that such action would contravene any law, order or other legal requirement or any of the terms or provisions of this Agreement, and in the event of a controversy or dispute, such party may interplead any payment or distribution in any court of competent jurisdiction, without further responsibility in respect of such payment or distribution under this Section 10.2.

10.3 Conflicts. In the event of any conflict between the provisions of this Agreement and the provisions of any ABL Document or any Term Loan Document, the provisions of this Agreement shall govern.

10.4 Continuing Nature of Provisions. Subject to Section 5.5, this Agreement shall continue to be effective, and shall not be terminable by any party hereto, until the earlier of (i) the ABL Obligations Payment Date and (ii) the Term Loan Obligations Payment Date; provided that if a Replacement ABL Agreement or Replacement Term Loan Agreement, as applicable, is entered into following such termination, the relevant Secured Parties agree to, upon the request of any Loan Party, restore this Agreement on the terms and conditions set forth herein until the earlier to occur of the next following ABL Obligations Payment Date or Term Loan Obligations Payment Date. This is a continuing agreement and the ABL Secured Parties and the Term Loan Secured Parties may continue, at any time and without notice to the other parties hereto, to extend credit and other financial accommodations, lend monies and provide indebtedness to, or for the benefit of, any Loan Party on the faith hereof. In furtherance of the foregoing:

(a) Upon receipt of a notice from the Loan Parties stating that the Loan Parties (or any of them) have entered into a Replacement ABL Agreement (which notice shall include the identity of the new ABL Representative, if applicable), the Term Loan Representative shall promptly (and in any event within 10 days of the applicable request, unless otherwise agreed by the ABL Representative or the new ABL Representative, as applicable) (i) enter into such documents and agreements (including amendments or supplements to this Agreement) as the Loan Parties or the new ABL Representative shall reasonably request in order to provide to the new ABL Representative the rights contemplated hereby, in each case consistent in all material respects with the terms of this Agreement, (ii) deliver to the new ABL Representative any ABL Collateral held by it, together with any necessary endorsements (or otherwise allow the new ABL Representative to obtain control of such ABL Collateral), and (iii) take such other actions as the Loan Parties or the new ABL Representative may reasonably request to provide the new ABL Representative or the applicable ABL Creditors the benefits of this Agreement. The new ABL Representative shall agree in a writing addressed to the Term Loan Representative to be bound by the terms of this Agreement, and

(b) Upon receipt of a notice from the Loan Parties stating that the Loan Parties (or any of them) have entered into entered into a Replacement Term Loan Agreement (which notice shall include the identity of the new Term Loan Representative, if applicable), the ABL Representative shall promptly (and in any event within 10 days of the applicable request, unless otherwise agreed by the Term Loan Representative or the new Term Loan Representative, as applicable) (i) enter into such documents and agreements (including amendments or supplements to this Agreement) as the Loan Parties or the new Term Loan Representative shall reasonably request in order to provide to the new Term Loan Representative or the applicable new Term Loan Secured Parties the rights contemplated hereby, in each

case consistent in all material respects with the terms of this Agreement, (ii) deliver to the new Term Loan Representative any Term Collateral held by it together with any necessary endorsements (or otherwise allow the new Term Loan Representative to obtain control of such Term Collateral), and (iii) take such other actions as the Loan Parties or the new Term Loan Representative may reasonably request to provide the new Term Loan Representative the benefits of this Agreement. The new Term Loan Representative shall agree in a writing addressed to the ABL Representative to be bound by the terms of this Agreement.

10.5 Amendments; Waivers. (a) No amendment or modification of or supplement to any of the provisions of this Agreement shall be effective unless the same shall be in writing and signed by the ABL Representative and the Term Loan Representative, and, in the cases of amendments or modifications of or supplements to this Agreement that directly affect the rights or duties of any Loan Party, including amendments or modifications of Sections 3.5, 3.6, 6, 10.4, 10.5, 10.7 or 10.8 that indirectly or directly affect the rights or duties of any Loan Party, such Loan Party. The ABL Representative and the Term Loan Representative shall notify the Borrower at the address specified in the signature pages to this Agreement of any amendment or modification of or supplement to any provisions of this Agreement which does not need to be signed by a Loan Party and provide the Borrower with a copy of such amendment, modification or supplement.

(b) It is understood that the ABL Representative and the Term Loan Representative, without the consent of any other ABL Secured Party or Term Loan Secured Party, may in their discretion determine that a supplemental agreement (which may take the form of an amendment and restatement of this Agreement) is necessary or appropriate to facilitate having additional indebtedness or other obligations (" Additional Debt") of any of the Loan Parties become ABL Obligations or Term Loan Obligations, as the case may be, under this Agreement, which supplemental agreement shall specify whether such Additional Debt constitutes ABL Obligations or Term Loan Obligations, provided, that such Additional Debt is permitted to be incurred by the ABL Agreement and Term Loan Agreement then extant, and is permitted by such agreements to be subject to the provisions of this Agreement as ABL Obligations or Term Loan Obligations, as applicable.

10.6 Information Concerning Financial Condition of the Loan Parties. Each of the Term Loan Representative and the ABL Representative hereby assume responsibility for keeping itself informed of the financial condition of the Loan Parties and all other circumstances bearing upon the risk of nonpayment of the ABL Obligations or the Term Loan Obligations. The Term Loan Representative and the ABL Representative hereby agree that no party shall have any duty to advise any other party of information known to it regarding such condition or any such circumstances (except as otherwise provided in the ABL Documents and Term Loan Documents). In the event the Term Loan Representative or the ABL Representative, in its sole discretion, undertakes at any time or from time to time to provide any information to any other party to this Agreement, it shall be under no obligation (a) to provide any such information to such other party or any other party on any subsequent occasion, (b) to undertake any investigation not a part of its regular business routine, or (c) to disclose any other information.

10.7 Governing Law. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

10.8 Submission to Jurisdiction; JURY TRIAL WAIVER. (a) Each ABL Secured Party, each Term Loan Secured Party and each Loan Party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement,

or for recognition or enforcement of any judgment, and each such party hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each such party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the any ABL Secured Party or Term Loan Secured Party may otherwise have to bring any action or proceeding against any Loan Party or its properties in the courts of any jurisdiction.

(b) Each ABL Secured Party, each Term Loan Secured Party and each Loan Party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so (i) any objection 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 in any court referred to in paragraph (a) of this Section and (ii) the defense of an inconvenient forum to the maintenance of such action or proceeding.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.9. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

(d) EACH PARTY HERETO HEREBY WAIVES ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY HERETO REPRESENTS THAT IT HAS REVIEWED THIS WAIVER AND IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

10.9 Notices. Unless otherwise specifically provided herein, any notice or other communication herein required or permitted to be given shall be in writing and may be personally served, telecopied, or sent by overnight express courier service or United States mail and shall be deemed to have been given when delivered in person or by courier service, upon receipt of a telecopy or five days after deposit in the United States mail (certified, with postage prepaid and properly addressed). For the purposes hereof, the addresses of the parties hereto (until notice of a change thereof is delivered as provided in this Section 10.9) shall be as set forth below each party's name on the signature pages hereof, or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties.

10.10 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and each of the ABL Secured Parties and Term Loan Secured Parties and their respective successors and assigns, and nothing herein is intended, or shall be construed to give, any other Person any right, remedy or claim under, to or in respect of this Agreement or any Collateral.

10.11 Headings. Section headings 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.

10.12 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such

invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

10.13 Other Remedies. For avoidance of doubt, it is understood that nothing in this Agreement shall prevent any ABL Secured Party or any Term Loan Secured Party from exercising any available remedy to accelerate the maturity of any indebtedness or other obligations owing under the ABL Documents or the Term Loan Documents, as applicable, or to demand payment under any guarantee in respect thereof.

10.14 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. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement. This Agreement shall become effective when it shall have been executed by each party hereto.

10.15 Additional Loan Parties. The Borrower shall cause each Person that becomes a Loan Party after the date hereof to become a party to this Agreement by execution and delivery by such Person of a Joinder Agreement in the form of Annex 1 hereto.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

JPMORGAN CHASE BANK, N.A., as ABL Representative for and on behalf of the ABL Secured Parties

By: /s/ Alexis Maged
Name: Alexis Maged
Title: Authorized Signatory

Address for Notices:

JPMorgan Chase Bank, N.A.
270 Park Avenue, 44th Floor
Mailcode: NY1-K855
New York, NY 10017
Attention: Donna DiForio
Fax: 646-534-2274

with a copy to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017
Attention: Patrick Ryan
Facsimile No: (212) 455-2502

GOLDMAN SACHS LENDING PARTNERS LLC, as Term Loan Representative for and on behalf of the Term Loan Secured Parties

By: /s/ Kathleen C. Maggi
Name: Kathleen C. Maggi
Title: Senior Vice President

Address for Notices:

Goldman Sachs Lending Partners LLC
30 Hudson Street, 38th Floor
Jersey City, NJ 07302
Attention: Lauren Day
Fax: 646-769-7700

with a copy to:

Cravath, Swaine & Moore LLP
825 8th Avenue, 31st Floor
New York, NY 10019
Attention: Jamie Vardell
Fax: 212-474-3700

CLOPAY AMES TRUE TEMPER HOLDING CORP.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY AMES TRUE TEMPER LLC

By: /s/ Seth L. Kaplan
Name: Seth K. Kaplan
Title: Senior Vice President

CLOPAY PLASTIC PRODUCTS COMPANY, INC.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY BUILDING PRODUCTS COMPANY, INC.

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY TRANSPORTATION COMPANY

By: /s/ Tom Gibbons
Name: Tom Gibbons
Title: Treasurer

CLOPAY ACQUISITION CORP.

By: /s/ Seth L. Kaplan
Name: Seth K. Kaplan
Title: Senior Vice President

CHATT HOLDINGS INC.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

ATT HOLDING CO.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

AMES TRUE TEMPER, INC.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President of Finance and CFO

AMES U.S. HOLDING CORP.

By: /s/ David Nuti
Name: David Nuti
Title: Vice President, Treasurer and Secretary

AMES TRUE TEMPER PROPERTIES, INC.

By: /s/ David Nuti
Name: David Nuti
Title: CFO and Assistant Secretary

FOR IMMEDIATE RELEASE

Griffon Announces Closing of Ames True Temper Acquisition

NEW YORK, NEW YORK, September 30, 2010 — Griffon Corporation ("Griffon") (NYSE: GFF) today announced the closing of the acquisition of Ames True Temper, Inc. ("Ames") from Castle Harlan Partners IV, a fund of Castle Harlan, Inc., for total consideration of $542 million, subject to certain adjustments, plus related transaction fees and expenses. Ames, headquartered in Camp Hill, PA, is the leading North American manufacturer and marketer of non-powered lawn and garden tools, wheelbarrows, and other outdoor work products to the retail and professional markets. The acquisition was completed under the terms of the purchase agreement entered into on July 19, 2010.

Griffon acquired Ames and financed the acquisition through its wholly-owned subsidiary, Clopay Ames True Temper Holding Corp. ("Clopay Ames"), which holds Griffon's Clopay Building Products and Performance Plastics subsidiaries as well as Ames. In order to finance the acquisition and refinance the existing Plastics and Building Products asset based lending facility ("ABL"), Clopay Ames entered into a $375 million secured term loan facility arranged by Goldman Sachs Lending Partners LLC and Deutsche Bank Securities Inc., and a new $125 million ABL arranged by J.P. Morgan Securities LLC and Deutsche Bank Securities Inc. In addition, Griffon provided $168 million cash to Clopay Ames, and Clopay Ames borrowed $25 million under the new ABL, to finance the acquisition. Griffon holds cash balances in excess of $160 million following completion of the Ames transaction.

The transaction is expected to be accretive to cash flow and earnings per diluted share ("EPS") in fiscal 2011. Griffon noted that, on a pro-forma basis, for the latest twelve months ended June 30, 2010, revenue of the combined companies approximates $1.7 billion compared to $1.27 billion for Griffon standalone; pro-forma EPS would increase approximately 60% over Griffon standalone EPS for the comparable period, inclusive of all expected costs of financing the acquisition.

Ron Kramer, Griffon's Chief Executive Officer, commented "We are excited to announce the closing of this significant acquisition. Ames sells its products through an array of well-recognized brands, has longstanding relationships with its major customers, and has an outstanding, experienced management team. Ames recently announced the acquisition in Australia of Westmix, a manufacturer and leading supplier of products for the hardware industry. We believe there are significant additional growth opportunities for Ames both in North America and around the globe."

Ames' products include: long handle tools, wheelbarrows, snow tools, pots & planters, striking tools, and other outdoor work products. Its brands include: Ames®, True Temper®, Ames True Temper®, Dynamic Design™, Garant®, UnionTools®, Razor-Back®, Jackson® and Hound Dog®. Ames' brands hold the number one or number two market positions in their respective major product categories.

Forward-looking Statements

"Safe Harbor" Statements under the Private Securities Litigation Reform Act of 1995: All statements related to, among other things, income, earnings, cash flows, revenue, changes in operations, operating improvements, industries in which Griffon operates and the United States and global economies that are not historical are hereby identified as "forward-looking statements" and may be indicated by words or phrases such as "anticipates," "supports," "plans," "projects," "expects," "believes," "should," "would," "could," "hope," "forecast," "management is of the opinion," "may," "will," "estimates," "intends," "explores," "opportunities," the negative of these expressions, use of the future tense and similar words or phrases. Such forward-looking statements are subject to inherent risks and uncertainties that could cause actual results to differ materially from those expressed in any forward-looking statements. These risks and uncertainties include, among others: current economic conditions and uncertainties in the housing, credit and capital markets; Griffon's ability to achieve expected savings from cost control, integration and disposal initiatives; the ability to identify and successfully consummate and integrate value-adding acquisition opportunities; increasing competition and pricing pressures in the markets served by Griffon's operating companies; the ability of Griffon's operating companies to expand into new geographic and product markets and to anticipate and meet customer demands for new products and product enhancements and innovations; a reduction by the government in military spending on projects supplied by Griffon's Telephonics Corporation; increases in cost of raw materials such as resin and steel; changes in customer demand; political events that could impact the worldwide economy; a downgrade in the credit ratings of Griffon or its subsidiaries; international economic conditions including interest rate and currency exchange fluctuations; the relative mix of products and services which impacts margins and operating efficiencies; short-term capacity constraints or prolonged excess capacity; unforeseen developments in contingencies such as litigation; unfavorable results of government agency contract audits of Griffon's subsidiary, Telephonics Corporation; protection and validity of patent and other intellectual property rights; the cyclical nature of the business of certain Griffon operating companies; and possible terrorist threats and actions, and their impact on the global economy. Such statements reflect the views of Griffon with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the operations, results of operations, growth strategy and liquidity of Griffon as previously disclosed in Griffon's Securities and Exchange Commission filings. Readers are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements speak only as of the date made. Griffon undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

About Griffon Corporation

Griffon is a diversified management and holding company that conducts business through wholly-owned subsidiaries. Griffon oversees the operations of its subsidiaries, allocates resources among them and manages their capital structures. Griffon provides direction and assistance to its subsidiaries in connection with acquisition and growth opportunities as well as in connection with divestitures. Griffon also seeks out, evaluates and, when appropriate, will acquire additional businesses that offer potentially attractive returns on capital to further diversify itself.

Griffon currently conducts its operations through Telephonics Corporation, Clopay Building Products Company and Clopay Plastic Products Company, and, as of today, Ames True Temper, Inc.

- Telephonics Corporation' high-technology engineering and manufacturing capabilities provide integrated information, communication and sensor system solutions to military and commercial markets worldwide.

- Clopay Building Products Company is a leading manufacturer and marketer of residential, commercial and industrial garage doors to professional installing dealers and major home center retail chains.

- Clopay Plastic Products Company is an international leader in the development and production of embossed, laminated and printed specialty plastic films used in a variety of hygienic, health-care and industrial applications.

For more information on Griffon and its operating subsidiaries, please see Griffon's website at www.griffoncorp.com.

Company Contact:
Douglas J. Wetmore
Chief Financial Officer
Griffon Corporation
(212) 957-5000
712 Fifth Avenue, 18th Floor
New York, NY 10019

Investor Relations Contact:
James Palczynski
Principal and Director
ICR Inc.
(203) 682-8229

Exhibit 99.2

FOR IMMEDIATE RELEASE

Griffon Announces Expiration of Tender Offers for Senior Floating Rate Notes and 10% Senior Subordinated Notes of Ames True Temper, Inc.

NEW YORK, NEW YORK, October 1, 2010 — Griffon Corporation ("Griffon" or the "Company") (NYSE: GFF) today announced the expiration of the previously announced cash tender offers and consent solicitations (the "Tender Offers") by Clopay Acquisition Corp., a wholly-owned subsidiary of Griffon ("Clopay"), for any and all of the Senior Floating Rate Notes due 2012 (the "Floating Rate Notes") of Ames True Temper, Inc., a wholly-owned subsidiary of Griffon ("Ames"), and any and all of the 10% Senior Subordinated Notes due 2012 (the "Subordinated Notes" and, together with the Floating Rate Notes, the "Notes") of Ames. The Tender Offers expired as of midnight, New York City time, on September 30, 2010 (the "Expiration Time"). As of the Expiration Time, $140,990,000 in aggregate principal amount of the Floating Rate Notes were tendered, and $40,635,000 in aggregate principal amount of the Subordinated Notes were tendered. Clopay has accepted for payment and paid for all Notes validly tendered on or prior to the Expiration Time.

In addition, Griffon announced that Ames has called for redemption, in accordance with the terms of the indentures governing the Notes, any and all of the Notes that remain outstanding after the expiration of the Tender Offers. The redemption date for the remaining Notes is November 1, 2010 (the "Redemption Date") and the redemption price is 100% of the principal amount of the remaining Notes plus accrued and unpaid interest to the Redemption Date.

About Griffon Corporation

Griffon is a diversified management and holding company that conducts business through wholly-owned subsidiaries. The Company oversees the operations of its subsidiaries, allocates resources among them and manages their capital structures. The Company provides direction and assistance to its subsidiaries in connection with acquisition and growth opportunities as well as in connection with divestitures. Griffon also seeks out, evaluates and, when appropriate, will acquire additional businesses that offer potentially attractive returns on capital to further diversify itself.

Griffon currently conducts its operations through Telephonics Corporation, Clopay Building Products Company, Clopay Plastic Products Company and Ames True Temper, Inc.

- Telephonics Corporation's high-technology engineering and manufacturing capabilities provide integrated information, communication and sensor system solutions to military and commercial markets worldwide.

- Clopay Building Products Company is a leading manufacturer and marketer of residential, commercial and industrial garage doors to professional installing dealers and major home center retail chains.

- Clopay Plastic Products Company is an international leader in the development and production of embossed, laminated and printed specialty plastic films used in a variety of hygienic, health-care and industrial applications.

- Ames True Temper, Inc. is the leading North American manufacturer and marketer of non-powered lawn and garden tools, wheelbarrows, and other outdoor work products to the retail and professional markets.

For more information on the Company and its operating subsidiaries, please see the Company's website at www.griffoncorp.com.

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