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): January 20, 2016

CRYOLIFE, INC.
(Exact name of registrant as specified in its charter)

Florida	**1-13165**	**59-2417093**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1655 Roberts Boulevard, N.W., Kennesaw, Georgia 30144
(Address of principal executive office) (zip code)
Registrant's telephone number, including area code: (770) 419-3355

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

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

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

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

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

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

Item 1.01 Entry into a Material Definitive Agreement.

On January 20, 2016, CryoLife, Inc., or CryoLife, entered into a Third Amended and Restated Credit Agreement, or the Credit Agreement, among CryoLife, On-X Life Technologies Holdings, Inc., or On-X, AuraZyme Pharmaceuticals, Inc., CryoLife International, Inc., On-X Life Technologies, Inc., Valve Special Purpose Co., LLC, the financial institutions party thereto from time to time as lenders and Healthcare Financial Solutions, LLC, an affiliate of Capital One, National Association, as agent for such lenders. The Credit Agreement amends and restates CryoLife's existing $20.0 million Second Amended and Restated Credit Agreement, dated as of September 26, 2014.

The Credit Agreement provides for a $75.0 million secured term loan credit facility and a $20.0 million secured revolving loan credit facility (including a $4.0 million letter of credit sub-facility and a $3.0 million swing-line loan sub-facility). Subject to the satisfaction of certain conditions, including obtaining additional commitments from existing and/or new lenders, CryoLife may increase the amounts of both the term loan credit facility and the revolving loan credit facility.

On January 20, 2016, CryoLife drew the entire $75.0 million secured term loan facility. Term loan facility proceeds, along with cash on hand and shares of CryoLife's common stock, were used to fund the acquisition of On-X Life Technologies Holdings, Inc. and its subsidiaries. Term loan facility proceeds and cash on hand were used to pay certain fees and expenses related to the acquisition and the Credit Agreement. Term loan facility proceeds were also used to repay approximately $1.9 million of indebtedness of On-X Life Technologies, Inc. owed to Comerica Bank under that certain Amended and Restated Loan and Security Agreement, dated as of May 15, 2008. The secured revolving loan credit facility was undrawn following the acquisition and may be used for working capital, capital expenditures, acquisitions permitted under the Credit Agreement, and other general corporate purposes pursuant to the terms of the Credit Agreement.

Term loans are repayable on a quarterly basis according to the amortization schedule set forth in the Credit Agreement and incorporated herein by reference. CryoLife has the right to prepay loans under the Credit Agreement in whole or in part at any time. Term loans amounts repaid may not be reborrowed. Revolving loans repaid may be reborrowed. All outstanding principal and interest must be repaid on or before January 20, 2021, the maturity date.

CryoLife is obligated to pay an unused commitment fee equal to 0.50% per annum of the average unutilized portion of the revolving loans. In addition, CryoLife is also obligated to pay other customary fees for a credit facility of this size and type.

The loans under the Credit Agreement (other than the swing-line loans) bear interest, at CryoLife's option, at a floating annual rate equal to either the base rate plus a margin of between 1.75% and 2.75%, depending on CryoLife's consolidated leverage ratio or to LIBOR plus a margin of between 2.75% and 3.75%, depending on CryoLife's consolidated leverage ratio. Swing-line loans shall bear interests only at a floating annual rate equal to the base rate plus a margin of between 1.75% and 2.75%, depending on CryoLife's consolidated leverage ratio. Base rate is defined as the greatest of The Wall Street Journal's "Prime Rate" in the United States, the federal funds rate plus 0.50% and 1 month LIBOR plus the difference between the margin for LIBOR loans and for base rate loans. LIBOR is determined as the rate at which United States dollar deposits are offered in the London interbank market for the applicable interest period. Interest is due and payable with respect to base rate loans on a quarterly basis. Interest is due and payable with respect to LIBOR loans on the last day of the applicable interest period and at least on the last day of each three month interval if the interest period is six months.

While a payment event of default exists, CryoLife is obligated to pay a per annum default rate of interest of 2.00% above the applicable interest rate on the past due principal amount of the loans outstanding. While a bankruptcy or insolvency event of default exists, CryoLife is obligated to pay a per annum default rate of interest of 2.00% above the applicable interest rate on all loans outstanding.

The Credit Agreement prohibits CryoLife from exceeding a maximum consolidated leverage ratio and requires CryoLife to maintain a minimum interest coverage ratio. In addition, the Credit Agreement contains certain customary affirmative and negative covenants, including covenants that limit the ability of CryoLife and its subsidiaries to, among other things, grant liens, incur debt, dispose of assets, make loans and investments,

make acquisitions, make certain restricted payments, merge or consolidate, change their business and accounting or reporting practices, in each case subject to customary exceptions for a credit facility of this size and type.

As stated above, the Credit Agreement includes certain customary events of default that include, among other things, non-payment of principal, interest or fees, inaccuracy of representations and warranties, violation of covenants, cross-default to certain other indebtedness, bankruptcy and insolvency and change of control. Upon the occurrence and during the continuance of an event of default, the lenders may declare all outstanding principal and accrued but unpaid interest under the Credit Agreement immediately due and payable and may exercise the other rights and remedies provided for under the Credit Agreement and related loan documents.

CryoLife's domestic subsidiaries (subject to customary exceptions for a credit facility of this size and type) guarantee CryoLife's obligations under the Credit Agreement pursuant to an Amended and Restated Guaranty and Security Agreement, dated as of January 20, 2016, among CryoLife, AuraZyme Pharmaceuticals, Inc., CryoLife International, Inc., On-X, On-X Life Technologies, Inc., Valve Special Purpose Co., LLC and each other grantor from time to time party thereto and Healthcare Financial Solutions, LLC, as agent. The obligations of CryoLife and the guarantors under the loan documents are secured by a perfected security interest in substantially all of their respective assets, in each case subject to customary exceptions for a credit facility of this size and type.

The description of the Credit Agreement contained herein is qualified in its entirety by reference to the text of the Credit Agreement, which is attached hereto as Exhibit 10.1 and is incorporated herein by reference. The description of the Amended and Restated Guaranty and Security Agreement contained herein is qualified in its entirety by reference to the text of the Amended and Restated Guaranty and Security Agreement, which is attached hereto as Exhibit 10.2 and is incorporated herein by reference.

Item 2.01 Completion of Acquisition or Disposition of Assets.

On January 20, 2016, CryoLife completed its previously announced acquisition of On-X Life Technologies Holdings, Inc., or On-X, a Delaware corporation, pursuant to an Agreement and Plan of Merger, or the Merger Agreement, by and among On-X, CryoLife, Cast Acquisition Corporation, a Delaware corporation and wholly-owned subsidiary of CryoLife, or the Merger Sub, and Fortis Advisors LLC, solely in its capacity as the representative of the stockholders, option holders and certain other recipients of merger consideration, and each of the security holders that become a party thereto via the execution of a joinder to the Merger Agreement. Pursuant to the Merger Agreement and subject to the conditions set forth therein, Merger Sub merged with and into On-X, with On-X continuing as the surviving corporation of the merger and a wholly owned subsidiary of CryoLife.

Pursuant to the terms of the Merger Agreement, CryoLife paid $130.0 million in merger consideration, consisting of $91.0 million in cash, subject to certain adjustments for On-X's cash on hand, net working capital and unpaid transaction expenses, and approximately $39.0 million in stock, consisting of 3,703,699 shares of CryoLife's common stock.

The cash portion of the merger consideration consists of a cash amount paid to the common stockholders of On-X, a cash amount paid to the preferred stockholders of On-X, a cash amount paid to the holders of outstanding options of On-X that had an exercise price per share less than the per share consideration payable in the merger to holders of On-X common stock, and a cash amount paid to certain key employees under a transaction bonus pool previously adopted by On-X's board of directors for payment to such key employees in the event of an acquisition of On-X. Options to purchase On-X's common stock that were outstanding and unexercised, whether or not vested, were not assumed by CryoLife or the surviving corporation of the merger. The vesting of each such option was accelerated in full and each such option was canceled and converted automatically into the right to receive, in exchange for the cancellation of such option, an amount of cash as calculated in accordance with the Merger Agreement. A portion of the merger consideration was also used to repay On-X's outstanding indebtedness and certain transaction costs of On-X and its securityholders in connection with the merger.

The equity portion of the merger consideration was issued pursuant to a private placement under Rule 506 of Regulation D promulgated under the Securities Act of 1933, as amended, or the Securities Act, and only to those former On-X preferred stockholders who are accredited investors as defined under Rule 501(a) of Regulation D. The value of the shares of CryoLife's common stock issued as equity merger consideration was calculated based on

a 30-day volume-weighted average trading price of CryoLife's common stock for 30 consecutive trading days immediately preceding the December 22, 2015 signing date of the Merger Agreement. Contemporaneously with the consummation of the merger, CryoLife and certain of the former On-X preferred stockholders entered into a Registration Rights Agreement, dated as of January 20, 2016, or the Registration Rights Agreement, pursuant to which CryoLife is obligated to file a Registration Statement on Form S-3 to register the resale of the shares of CryoLife common stock that were issued as merger consideration.

Pursuant to the Merger Agreement, $10.0 million of the cash portion of the merger consideration was placed into an escrow account to serve as partial security for the indemnification obligations of the recipients of merger consideration for the benefit of Cryolife and its affiliates, and $0.5 million was placed into a separate escrow account as security for any post-closing merger consideration adjustments. The funds remaining in the indemnification escrow account will be released one year from the date of closing of the merger, less the aggregate amount of any pending and unresolved claims as of such date.

The foregoing description of the Merger Agreement is qualified in its entirety by reference to the full text of the Merger Agreement, which is attached hereto as Exhibit 2.1 and is incorporated herein by reference. The foregoing description of the Registration Rights Agreement is qualified in its entirety by reference to the full text of the Registration Rights Agreement, which is attached hereto as Exhibit 4.1 and is 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.

The information set forth under Item 1.01, "Entry into a Material Definitive Agreement," is incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities

As described above, pursuant to the terms of the Merger Agreement and as part of the consideration paid in connection with the merger, on January 20, 2016, CryoLife issued 3,703,699 shares of its common stock to certain former On-X preferred stockholders who are accredited investors as defined under Rule 501(a) of Regulation D promulgated under the Securities Act. Those shares of CryoLife common stock were issued without registration under the Securities Act in reliance on Rule 506 of Regulation D promulgated under the Securities Act.

The information set forth under Item 2.01, "Completion of Acquisition or Disposition of Assets," is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On January 20, 2016, CryoLife issued a press release announcing the consummation of the merger, a copy of which is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

The information in Item 7.01 of this Current Report on Form 8-K is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or Exchange Act, or otherwise subject to the liabilities of that section, and it shall not be deemed incorporated by reference in any filing under the Securities Act, or under the Exchange Act, whether made before or after the date hereof, except as expressly set forth by specific reference in such filing to this Item 7.01 of this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements for Businesses Acquired

The financial statements required by this item are not included in this filing. The required financial statements will be filed not later than 71 calendar days after the date that this Current Report on Form 8-K was required to be filed.

(b) Pro Forma Financial Information

The pro forma financial information required by this item is not included in this filing. The required pro

forma financial information will be filed not later than 71 calendar days after the date that this Current Report on Form 8-K was required to be filed.

(d) Exhibits.

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated as of December 22, 2015, by and among CryoLife, Inc., On-X Life Technologies Holdings, Inc., Cast Acquisition Corporation, Fortis Advisors LLC and each of the security holders who becomes a party thereto.
4.1	Registration Rights Agreement, dated as of January 20, 2016, by and between CryoLife, Inc. and the Investors party thereto.
10.1	Third Amended and Restated Credit Agreement, dated as of January 20, 2016, by and among CryoLife, Inc., On-X Life Technologies Holdings, Inc., AuraZyme Pharmaceuticals, Inc., CryoLife International, Inc., On-X Life Technologies, Inc., Valve Special Purpose Co., LLC, the lenders from time to time party thereto and Healthcare Financial Solutions, LLC, as agent.
10.2	Amended and Restated Guaranty and Security Agreement, dated as of January 20, 2016, by and among CryoLife, Inc., AuraZyme Pharmaceuticals, Inc., CryoLife International, Inc., On-X Life Technologies Holdings, Inc., On-X Life Technologies, Inc.,Valve Special Purpose Co., LLC and each other grantor from time to time party thereto in favor of Healthcare Financial Solutions, LLC, as Administrative Agent.
99.1*	Press Release of CryoLife, Inc. dated January 20, 2016.

* Furnished herewith, not filed.

SIGNATURES

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

CRYOLIFE, INC.

By: /s/ D. Ashley Lee
Name: D. Ashley Lee
Title: Executive Vice President, Chief Operating Officer, Chief Financial Officer and Treasurer

Date: January 25, 2016

EXHIBIT INDEX

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99.1*	Press Release of CryoLife, Inc. dated January 20, 2016.

* Furnished herewith, not filed.

Exhibit 2.1

AGREEMENT AND PLAN OF MERGER

by and among

ON-X LIFE TECHNOLOGIES HOLDINGS, INC.,

CRYOLIFE, INC.,

CAST ACQUISITION CORPORATION,

FORTIS ADVISORS LLC,

solely in its capacity as the Stockholders' Representative

and

EACH OF THE HOLDERS

Dated as of December 22, 2015

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Exhibits

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "Agreement") is made as of December 22, 2015, by and among ON-X LIFE TECHNOLOGIES HOLDINGS, INC., a Delaware corporation ("Company"), CRYOLIFE, INC., a Florida corporation ("Parent"), CAST ACQUISITION CORPORATION, a Delaware corporation ("Merger Sub"), Fortis Advisors LLC, a Delaware limited liability company, solely in its capacity as the representative of the Holders (the "Stockholders' Representative"), and each of the Holders that become a party hereto via the execution of a Joinder Agreement or an Option Cancellation Agreement. Certain capitalized terms used herein are defined in Article I.

W I T N E S S E T H:

WHEREAS, the board of directors of Parent has approved the acquisition of the Company by Parent, by means of a merger of Merger Sub with and into the Company (the "Merger"), with the Company continuing as the surviving corporation in the Merger (as such, the "Surviving Company"), on the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the respective boards of directors of the Company and Merger Sub have approved and declared advisable the Merger upon the terms and subject to the conditions of this Agreement and the DGCL, and the respective boards of directors of the Company and Merger Sub have approved and adopted this Agreement and the transactions contemplated in this Agreement, including the Merger;

WHEREAS, the respective boards of directors of the Company and Merger Sub have determined that the Merger is fair to and in the interests of their respective stockholders;

WHEREAS, concurrently with the execution and delivery of this Agreement, the Company shall deliver to Parent a written consent executed and delivered to the Company by the Significant Stockholders (the "Significant Stockholders Written Consent") in substantially the form attached hereto as Exhibit A who have the authority to vote the shares indicated in such consent, which shares represent at least the minimum number of shares of the Company Capital Stock required to obtain the Company Stockholder Approval through an action by written consent under the Certificate of Incorporation and the DGCL;

WHEREAS, as a condition and inducement to Parent's willingness to enter into this Agreement, Parent, the Stockholders' Representative and the Escrow Agent shall, at the Closing, enter into an escrow agreement in substantially the form attached hereto as Exhibit B (the "Escrow Agreement"), pursuant to which a portion of the Merger consideration payable to the Holders pursuant to this Agreement shall be placed in the Indemnification Escrow Account and the Adjustment Reserve as set forth below in this Agreement;

WHEREAS, concurrently with the execution and delivery of this Agreement, and as a condition and inducement to Parent's willingness to enter into this Agreement and as a condition to

receiving any portion of the Merger consideration pursuant to this Agreement or, as applicable, any portion of the Transaction Bonus Pool: (i) each Significant Stockholder with respect to the Company Capital Stock held by such Significant Stockholder shall enter into a Joinder Agreement, (ii) each participant in the Transaction Bonus Pool with respect to the portion of the his or her portion of the Transaction Bonus Pool Amount shall enter into a Joinder Agreement, and (iii) each Significant Option Holder with respect to the Options held by such Significant Option Holder, other than Underwater Options, shall enter into an Option Cancellation Agreement, which Joinder Agreements and Option Cancellation Agreements, as applicable, provide for, among other things, (A) the joinder of such Holder as a party to this Agreement as a "Holder" hereunder, (B) the confirmation of the reduction of the Escrowed Amounts from the Merger consideration and Transaction Bonus Pool payable to such Holder pursuant to the establishment of the Escrow Accounts and subject to the terms of the Escrow Agreement, (C) the requirement that a Holder, with respect to Company Capital Stock held by such Holder, must deliver a Letter of Transmittal as a condition to receiving payment of Merger consideration, (D) the release of claims pursuant to Section 5.15, (E) the imposition of indemnification obligations with respect to the Escrowed Amounts and potentially in excess of the Escrowed Amounts, (F) the appointment of the Stockholders' Representative pursuant to the terms of Section 10.12, and (G) the Holders of shares of Preferred Stock that are Accredited Investors making certain representations and warranties to Parent as a condition to such Holders' receipt of a portion of the Aggregate Accredited Equity Merger Consideration; and

WHEREAS, Parent, Merger Sub and the Company desire to make certain representations, warranties and agreements in connection with the Merger and also to prescribe certain conditions to the Merger.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants, agreements and warranties herein contained, the parties to this Agreement agree as follows:

Article I

DEFINITIONS

1.1 Definitions. The following terms shall have the following meanings for the purposes of this Agreement:

"2013 Confidentiality Agreement" shall mean that certain confidentiality agreement, dated as of November 26, 2013, between the Company and Parent relating to the transactions contemplated hereby, as subsequently amended by the parties thereto on April 10, 2015 and on the date hereof upon the effectiveness of this Agreement.

"510(k)s" shall have the meaning set forth in Section 3.11(c).

"ACA" shall mean, collectively, the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010, and the applicable regulatory and other governmental agency guidance issued thereunder."

"ACA employer mandate" shall have the meaning set forth in Section 3.12(i).

"Accredited Investor" shall have the meaning set forth in Section 2.9(c)(i).

"Accredited Investor Questionnaires" shall have the meaning set forth in Section 2.9(c)(i).

"Accredited Investor Shares" shall mean the aggregate number of shares of Preferred Stock that are held by the Accredited Investors.

"Acquisition Engagement" shall have the meaning set forth in Section 10.20(a).

"Adjustment Reserve" shall mean an amount equal to $500,000.

"Adjustment Reserve Account" shall mean the account into which the Adjustment Reserve is deposited by Parent at Closing and which shall be held and administered by the Escrow Agent pursuant to the Escrow Agreement.

"Adjustments" shall have the meaning set forth in Section 2.10(b).

"Administrative Expense Amount" shall have the meaning set forth in Section 10.12(j).

"Advisory Group" shall have the meaning set forth in Section 10.12(i).

"Affiliate" shall mean, with respect to any specified Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such first Person. For the purposes of this Agreement, "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of securities, by contract, management control, or otherwise. "Controlled" and "Controlling" shall be construed accordingly.

"Aggregate Accredited Cash Merger Consideration" shall mean an amount, which amount shall be set forth in the Merger Consideration Table, in cash equal to the Aggregate Cash Merger Consideration, *minus* the Aggregate Common Stock Merger Consideration, *minus* the Aggregate Non-Accredited Merger Consideration.

"Aggregate Accredited Equity Merger Consideration" shall mean 3,703,704 shares of Parent Common Stock.

"Aggregate Cash Merger Consideration" shall mean an amount, which amount shall be set forth in the Merger Consideration Table, in cash equal to the Estimated Purchase Price, *minus* the Aggregate Equity Amount, *minus* the Aggregate Option Merger Consideration, *minus* the Option Proceeds.

"Aggregate Common Stock Merger Consideration" shall mean an amount, which amount shall be set forth in the Merger Consideration Table, in cash equal to the product of (a) the Per Share

Common Stock Merger Consideration, *multiplied by* (b) the total number of shares of Common Stock issued and outstanding as of immediately prior to the Effective Time.

"Aggregate Equity Amount" shall mean an amount equal to $39,000,000.

"Aggregate Non-Accredited Merger Consideration" shall mean an amount, which amount shall be set forth in the Merger Consideration Table, in cash equal to the product of the Per Share Preferred Stock Closing Amount, *multiplied by* the total number of shares of Preferred Stock issued and outstanding immediately prior to the Effective Time that are (a) held by Stockholders that are not Accredited Investors, or (b) otherwise Beneficially Owned by any Persons that are not Accredited Investors, provided that the same shares shall not be double counted to the extent such shares are covered by (a) and (b).

"Aggregate Option Merger Consideration" shall mean an amount, which amount shall be set forth in the Merger Consideration Table, equal to (a) the product of (i) the Per Share Common Stock Merger Consideration, *multiplied by* (ii) the aggregate number of Options issued and outstanding immediately prior to the Effective Time that are not Underwater Options, *minus* (b) the Option Proceeds.

"Aggregate Participating Amount" shall mean an amount, which amount shall be set forth in the Merger Consideration Table, equal to the Estimated Purchase Price, *minus* the Aggregate Preferred Stock Liquidation Preference Amount.

"Aggregate Preferred Stock Liquidation Preference Amount" shall mean an amount, which amount shall be set forth in the Merger Consideration Table, equal to the product of the Per Share Preferred Stock Liquidation Preference Amount, *multiplied by* the total number of shares of Preferred Stock issued and outstanding as of immediately prior to the Effective Time.

"Agreement" shall mean this Agreement, including the Company Disclosure Letter, the Parent Disclosure Letter and the exhibits hereto, as it and they may be amended from time to time.

"Audited Annual Financials" shall have the meaning set forth in Section 5.11.

"Basket" shall have the meaning set forth in Section 9.4(a).

"Beneficial Owner" means any Person who is the beneficial owner (within the meaning of Rule 13d-3 under the Securities Exchange Act) of Company Capital Stock.

"Benefit Plans" shall have the meaning set forth in Section 3.12(a).

"Bribery Laws" shall mean the FCPA and other similar anti-corruption laws applicable in the countries in which the Company (and its Subsidiaries) or Parent (and its Subsidiaries), as applicable, is doing business on the Closing Date.

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which banking institutions in the State of New York are authorized or required by law or other action of a Governmental Authority to close.

"Canceled Shares" shall have the meaning set forth in Section 2.7(d).

"Cash on Hand" shall mean, as of any date, all cash and cash equivalents held in the Company's and its Subsidiaries' bank accounts, but excluding any Restricted Cash.

"Certificate" shall mean a stock certificate which, immediately prior to the Effective Time, represents shares of Company Capital Stock.

"Certificate of Incorporation" shall mean the certificate of incorporation of the Company, as amended from time to time.

"Certificate of Merger" shall have the meaning set forth in Section 2.3.

"Closing" shall mean the consummation of the transactions contemplated herein.

"Closing Date" shall have the meaning set forth in Section 2.2(a).

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Collar Amount" shall mean $1,965,000.

"Common Stock" shall have the meaning set forth in Section 3.2(a).

"Common Stockholder" shall mean a holder of Common Stock.

"Company" shall have the meaning set forth in the Preamble.

"Company 401(k) Plan" shall have the meaning set forth in Section 5.12(e).

"Company Annual Financial Statements" shall have the meaning set forth in Section 3.6(a).

"Company Capital Stock" shall mean the Common Stock and the Preferred Stock.

"Company Copyrights" shall have the meaning set forth in Section 3.19(b).

"Company Disclosure Letter" shall have the meaning set forth in the introductory language to Article III.

"Company Employees" shall have the meaning set forth in Section 5.12(a).

"Company Engagements" shall have the meaning set forth in Section 10.20(a).

"Company Financial Statements" shall have the meaning in Section 3.6(a).

"Company Fundamental Representations" shall have the meaning set forth in Section 10.1.

"Company Interim Financial Statements" shall have the meaning set forth in Section 3.6(a).

"Company IP" shall have the meaning set forth in Section 3.19(b) .

"Company Leased Real Property" shall mean real property, including any buildings, structures, facilities, fixtures, and improvements thereon, which the Company or any of its Subsidiaries, as of the date of this Agreement, leases, subleases or occupies as tenant, subtenant or occupant pursuant to any Company Lease.

"Company Leases" shall mean leases, subleases or other occupancy agreements (together with any and all amendments and modifications thereto and any guarantees thereof) binding on the Company or any of its Subsidiaries.

"Company Marks" shall have the meaning set forth in Section 3.19(b).

"Company Material Adverse Effect" shall mean any change, event, fact, effect or occurrence that has, or would reasonably be expected to have, a material adverse effect on the financial condition, business, assets or results of operations of the Company and its Subsidiaries, taken as a whole; provided, however, that in determining whether there has been a Company Material Adverse Effect, any change, event, fact, effect or occurrence attributable to, arising out of, or resulting from any of the following shall be disregarded: (a) general political, economic, business, industry, credit, financial or capital market conditions in the United States or internationally, including conditions affecting generally the principal industries in which the Company and its Subsidiaries operate, (b) pandemics, earthquakes, tornados, hurricanes, floods and acts of God, (c) acts of war (whether declared or not declared), sabotage, terrorism, military actions or the escalation thereof, (d) any change in applicable Laws or GAAP (or authoritative interpretation or enforcement thereof) which is proposed, approved or enacted on or after the date hereof, (e) any failure, in and of itself, to meet estimates or projections of financial performance (but excluding any underlying change, event, fact, effect or occurrence giving rise, in whole or in part, to such failure), and (f) the announcement, in and of itself, of this Agreement and the transactions contemplated hereby; provided, further, that the changes, events, facts, effects or occurrences described in clauses (a)-(d) may be taken into account in determining whether there has been, could or would be a Company Material Adverse Effect to the extent such changes, events, facts, effects or occurrences negatively and disproportionately adversely affect the Company and its Subsidiaries, taken as whole, in relation to other Persons in the principal industries of the Company and its Subsidiaries.

"Company Parties" shall have the meaning set forth in Section 10.20(a).

"Company Party Counsel" shall have the meaning set forth in Section 10.20(a).

"Company Patents" shall have the meaning set forth in Section 3.19(b) .

"Company-Related Fraud" shall mean fraud by the Company or by any of the Company's Subsidiaries (or by any agent, employee, officer or director of the Company or any of its Subsidiaries at the time of such fraud) with respect to omissions or misstatements, representations and warranties, misrepresentations or conduct.

"Company Stock Awards" shall have the meaning set forth in Section 3.2(c).

"Company Stockholder Approval" shall have the meaning set forth in Section 3.4(a).

"Competing Transaction" shall have the meaning set forth in Section 5.4.

"Confidentiality Agreements" shall mean the 2013 Confidentiality Agreement and the Nondisclosure Agreement.

"Contamination" shall mean the presence of Hazardous Substances in, on or under the soil, groundwater, surface water, air or other environmental media to an extent that any Response Action is legally required by any Governmental Authority under any Environmental Law with respect to such presence of Hazardous Substances.

"Contract" shall have the meaning set forth in Section 3.5(a).

"Copyrights" shall have the meaning set forth in Section 3.19(a).

"Covered Persons" shall have the meaning set forth in Section 5.8(a).

"Debt Commitment Letter" shall have the meaning set forth in Section 4.5.

"DGCL" shall mean the General Corporation Law of the State of Delaware, as amended from time to time.

"Dispute Notice" shall have the meaning set forth in Section 2.10(b).

"Dissenting Shares" shall have the meaning set forth in Section 2.8.

"Effective Time" shall have the meaning set forth in Section 2.3.

"Environmental Law" shall mean any applicable Laws or common law doctrine pertaining to the protection of the environment, or to the extent relating to exposure to Hazardous Substances, the protection of public health.

"Environmental Permit" means any permit, approval, identification number, license or other authorization required under any applicable Environmental Law.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" shall mean, with respect to the Company or any Subsidiary thereof, any trade or business, whether or not incorporated, which, together with such Person, is treated as a single employer under Section 414 of the Code.

"ERISA Affiliate Plan" shall have the meaning set forth in Section 3.12(c).

"Escrow Accounts" shall mean the Indemnification Escrow Account, the Expense Fund and the Adjustment Reserve Account.

"Escrow Agent" shall mean U.S. Bank National Association.

"Escrow Agreement" shall have the meaning set forth in the Recitals.

"Escrow Amount" shall mean an amount in cash equal to $10,000,000.

"Escrowed Amounts" shall mean the sum of (a) the Escrow Amount, *plus* (b) the Adjustment Reserve. All parties hereto agree for all Tax purposes that: (i) Parent shall be treated as the owner of the Escrow Amount and the Adjustment Reserve, and all interest and earnings earned from the investment and reinvestment of the Escrow Amount and the Adjustment Reserve, or any portion thereof, shall be allocable to Parent pursuant to Section 468B(g) of the Code and Proposed Treasury Regulation Section 1.468B-8, (ii) if and to the extent any portion of the Escrow Amount and the Adjustment Reserve is actually distributed to the Holders, interest may be imputed on such amount, as required by Section 483 or 1274 of the Code, (iii) the Holders' right to the Escrow Amount and the Adjustment Reserve under this Agreement shall be treated as installment obligations for purposes of Section 453 of the Code, and (iv) in no event shall the aggregate payments to the Holders under the Escrow Amount and the Adjustment Reserve exceed $11,000,000. Clause (iv) of the immediately preceding sentence is intended to ensure that the right of the Holders to the Escrowed Amounts and any interest and earnings earned thereon is not treated as a contingent payment without a stated maximum selling price under Section 453 of the Code and the Treasury Regulations promulgated thereunder. No party hereto shall take any action or filing position inconsistent with the foregoing.

"Estimated Price Deduction" shall mean the result (which may be a negative number) of (a) the Cash on Hand of the Company, *minus* (b) unpaid Transaction Costs *minus* (c) the Indebtedness of the Company and its Subsidiaries, in each case, as specified in the Company's statement pursuant to Section 2.10(a).

"Estimated Purchase Price" shall mean the Purchase Price, *plus* the Estimated Price Deduction (for clarification purposes only, if the Estimated Price Deduction is a negative number, then by adding a negative number, the Estimated Purchase Price is reduced), *minus* the Administrative Expense Amount, *plus* the Option Proceeds.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Exchange Agent" shall have the meaning set forth in Section 2.9(a).

"Exchange Fund" shall have the meaning set forth in Section 2.9(a).

"Expense Fund" shall have the meaning set forth in Section 10.12(j).

"FCPA" shall mean the U.S. Foreign Corrupt Practices Act of 1977, as amended.

"FDA" shall mean the United States Food and Drug Administration.

"FDA Laws" shall have the meaning set forth in Section 3.11(b).

"Final Adjustment" shall have the meaning set forth in Section 2.10(b).

"Final Price Deduction" shall mean the result (which may be a negative number) of (a) the Cash on Hand of the Company, *minus* (b) unpaid Transaction Costs *minus* (c) the Indebtedness of the Company and its Subsidiaries, in each case, as finally determined pursuant to the True Up Calculations pursuant to Section 2.10(b).

"Final Working Capital" shall have the meaning set forth in Section 2.10(b).

"Financing" shall have the meaning set forth in Section 5.11.

"Financing Agreements" shall have the meaning set forth in Section 5.10.

"Financing Group" shall have the meaning set forth in Section 10.11(b).

"Financing Sources" means the parties to the Debt Commitment Letter (other than Parent or any of its Affiliates), together with the parties to joinder agreements related to alternative financing from alternative parties that is obtained in accordance with this Agreement.

"Foreign Device Laws" shall have the meaning set forth in Section 3.11(b).

"Fully Diluted Outstanding Stock" shall mean, as of any date, the total number of shares of Common Stock outstanding as of such date, determined on a fully diluted, as-if exercised basis and assuming the (a) conversion of all shares of Preferred Stock issued and outstanding as of such date into shares of Common Stock pursuant to the exercise of "Conversion Rights" by the holders thereof, as defined in Section C.4 of Article Fourth of the Certificate of Incorporation, and (b) exercise and settlement of all Options and Warrants issued and outstanding as of such date (assuming that all shares of Common Stock underlying Options and Warrants are delivered to the applicable holders and that no shares of Common Stock are withheld in payment of any applicable exercise price or tax obligations), whether or not exercised, exercisable, settled, eligible for settlement or vested; provided, however, that (i) any Canceled Shares, (ii) any shares underlying an Underwater Option and (iii) any shares of Company Capital Stock reserved for issuance under the Company's equity incentive plans but not subject to any outstanding option or other equity award, shall be disregarded for purposes of this definition.

"GAAP" shall mean U.S. generally accepted accounting principles, consistently applied.

"Governmental Authority" shall mean any (a) nation, region, state, commonwealth, province, territory, county, municipality, village, district or other jurisdiction of any nature, (b) agency, instrumentality, or political subdivision of a government, (c) governmental authority of any nature (including any supranational, governmental agency, branch, department, division, commission, organization, unit, or body, and any court or other tribunal), (d) governmental body exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory, banking, or taxing authority or power of any nature, (e) federal, state, local or foreign government or political subdivision thereof, (f) any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or (g) any instrumentality or entity designed to act for or on behalf of any of the foregoing.

"Hazardous Substance" shall mean any substance, material or waste that is or contains asbestos, urea formaldehyde insulation, polychlorinated biphenyls, petroleum or any petroleum-based products or constituents, radon gas, microbiological contamination or related materials or any other substance, material, pollutant, contaminant or waste, that is defined, classified, listed or regulated under, or requires a Response Action pursuant to, any Environmental Law.

"Holder" shall mean a Person who is or was (a) a Stockholder, (b) a participant in the Transaction Bonus Pool, or (c) a holder of Options (other than Underwater Options), in each case as of immediately prior to the Effective Time (other than a holder of solely shares of Company Capital Stock which constitute and remain Dissenting Shares).

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations promulgated thereunder.

"Indebtedness" shall mean, with respect to any Person, without duplication, as of the date of determination (a) all obligations of such Person for borrowed money, including accrued and unpaid interest, and any prepayment fees or penalties, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person issued or assumed as the deferred purchase price of property (including any potential future earn-out, purchase price adjustment, release of "holdback" or similar payment, but excluding obligations of such Person incurred in the ordinary course of business consistent with past practice), (d) all lease obligations of such Person required in accordance with GAAP to be capitalized on the books and records of such Person, (e) all Indebtedness of others secured by a Lien on property or assets owned or acquired by such Person, whether or not the Indebtedness secured thereby have been assumed, (f) all obligations of such Person under interest rate, currency or commodity derivatives or hedging transactions or similar arrangement, (g) the face value of all undrawn letters of credit or performance bonds issued for the account of such Person, and (h) all guarantees and keepwell arrangements of such Person of any Indebtedness of any other Person of the types described in clauses (a) through (g).

"Indemnification Escrow Account" shall mean the account into which the Escrow Amount is deposited by Parent at Closing and which shall be held and administered by the Escrow Agent pursuant to the Escrow Agreement.

"Indemnified Party" shall have the meaning set forth in Section 9.3.

"Indemnifying Party" shall have the meaning set forth in Section 9.3.

"Independent Accountant" shall have the meaning set forth in Section 2.10(b).

"Information Statements" shall have the meaning set forth in Section 3.8.

"Intellectual Property" shall have the meaning set forth in Section 3.19(a).

"Interim Period" shall have the meaning set forth in Section 5.1.

"IRS" shall mean the United States Internal Revenue Service.

"Joinder Agreement" shall mean a joinder agreement in the form attached hereto as Exhibit C-1 (with respect to the Significant Stockholders, participants in the Transaction Bonus Plan, Accredited Investors and any other Holder that enters into the Joinder Agreement prior to the Closing) or Exhibit C-2 (with respect to any Holder that enters into the Joinder Agreement following the Closing), whereby a Holder signing such joinder agreement, among other things, as a condition to a Holder of Company Capital Stock's right to receive the applicable portion of the Merger consideration as described in Section 2.9 and, if applicable, to such Holder's right to receive the applicable portion of the Transaction Bonus Pool Amount, agrees to (a) the joinder of such Holder as a party to this Agreement as a "Holder" hereunder, (b) the confirmation of the reduction of the Escrowed Amounts from the Merger consideration payable to such Holder pursuant to the establishment of the Escrow Accounts and subject to the terms of the Escrow Agreement, (c) the requirement that such Holder, with respect to Company Capital Stock held by such Holder, must deliver a Letter of Transmittal as a condition to receiving payment of Merger consideration, (d) the release of claims pursuant to Section 5.15, (e) the imposition of indemnification obligations with respect to the Escrowed Amounts and potentially in excess of the Escrowed Amounts, and (f) the appointment of the Stockholders' Representative pursuant to the terms of Section 10.12.

"Knowledge of Parent" shall mean the actual knowledge of the individuals set forth on Section 1.1(a) of the Parent Disclosure Letter, after reasonable inquiry of the individuals employed by the Parent and its Subsidiaries charged with administrative or operational responsibility for such matters for the Parent and its Subsidiaries.

"Knowledge of the Company" shall mean the actual knowledge of the individuals set forth on Section 1.1(a) of the Company Disclosure Letter, after reasonable inquiry of the individuals employed by the Company and its Subsidiaries charged with administrative or operational responsibility for such matters for the Company and its Subsidiaries.

"Latest Company Balance Sheet" shall mean the unaudited consolidated balance sheet of the Company and its Subsidiaries, dated as of September 30, 2015, a true, correct and complete copy of which has been provided to Parent prior to the date hereof.

"Laws" shall have the meaning set forth in Section 3.5(a).

"Letter of Transmittal" shall mean a letter of transmittal in the form attached hereto as Exhibit D, whereby the Stockholder signing such letter of transmittal, among other things, as a condition to a Holder of Company Capital Stock's right to receive the applicable portion of the Merger consideration as described in Section 2.9, surrenders such Stockholder's shares of Company Capital Stock for delivery pursuant hereto in exchange for the right to receive such Stockholder's portion of the Per Share Common Stock Merger Consideration or Per Share Preferred Stock Merger Consideration, as applicable.

"Liens" shall mean liens, encumbrances, mortgages, charges, claims, restrictions, options, rights of first refusal, limitations on voting, sale, transfer or other disposition or exercise of any other attribute of ownership, pledges, security interests, title defects, easements, rights-of-way, covenants, encroachments or other similar adverse claims of any kind with respect to a property, asset or right (contractual or otherwise).

"Litigation" shall mean any charge, complaint, claim, action, suit, arbitration, prosecution, proceeding, hearing, inquiry or investigation of any nature pending or threatened (civil, criminal, regulatory or otherwise) under any Laws or in equity.

"Losses" shall have the meaning set forth in Section 9.1.

"Lost Certificate Affidavit" shall have the meaning set forth in Section 2.9(b)(iv).

"Marks" shall have the meaning set forth in Section 3.19(a).

"Material Contracts" shall have the meaning set forth in Section 3.16(a).

"Merger" shall have the meaning set forth in the Recitals.

"Merger Consideration Table" means, a table in substantially the form attached hereto as Exhibit E, that includes (a) the Aggregate Accredited Cash Merger Consideration, the Aggregate Cash Merger Consideration, the Aggregate Participating Amount, the Aggregate Common Stock Merger Consideration, the Aggregate Non-Accredited Merger Consideration, the Aggregate Option Merger Consideration, the Aggregate Preferred Stock Liquidation Preference Amount, the Per Share Accredited Preferred Stock Merger Consideration, the Per Share Common Stock Merger Consideration, the Per Share Preferred Stock Merger Amount, the Per Share Preferred Stock Merger Consideration (both for Stockholders that are Accredited Investors and Stockholders that are not Accredited Investors) and the Per Share Preferred Stock Liquidation Preference Amount, (b) the names of each Holder and their respective addresses, as included in the books and records of the Company, and where available, taxpayer identification numbers and email addresses, (c) the number and kind of shares of Company Capital Stock held by, or subject to the Company Options held by, such Persons, (d) the amount each Holder is to be paid from the Transaction Bonus Pool, (e) each Holder's Pro Rata Share (calculated in aggregate and with respect to Company Capital Stock and with respect to Company Options and the Transaction Bonus Pool), and (f) each Holder's share,

expressed as a dollar amount, of each of the Escrow Amount, the Adjustment Reserve and the Administrative Expense Amount.

"Merger Sub" shall have the meaning set forth in the Preamble.

"Nondisclosure Agreement" shall mean the Nondisclosure Agreement between the Company and the Parent dated September 14, 2015.

"Notice of Claim" shall have the meaning set forth in Section 9.3(a).

"NYSE" shall mean the New York Stock Exchange.

"OFAC" shall have the meaning set forth in Section 3.11(f).

"Option Cancellation Agreement" shall mean an option cancellation agreement in the form attached hereto as Exhibit F, whereby a holder of one or more Options signing such agreement, among other things, as a condition to a Holder of an Option's right to receive the applicable portion of the Merger consideration as described in Section 2.9, agrees (a) to consent to the cancellation of such holder's Option(s) in exchange for the right to receive the applicable Per Option Merger Consideration, subject to and reduced by the Escrowed Amounts being withheld and paid or applied at a later time in accordance with the terms of this Agreement and the Escrow Agreement and, if applicable, reduced by the indemnification obligations in Article IX, (b) the joinder of such Holder as a party to this Agreement as a "Holder" hereunder, (c) the confirmation of the reduction of the Escrowed Amounts from the Merger consideration payable to such Holder pursuant to the establishment of the Escrow Accounts and subject to the terms of the Escrow Agreement, (d) the release of claims pursuant to Section 5.15, (e) the imposition of indemnification obligations with respect to the Escrowed Amounts and potentially in excess of the Escrowed Amounts, and (f) the appointment of the Stockholders' Representative pursuant to the terms of Section 10.12.

"Option Proceeds" shall mean the aggregate exercise price that would be payable to the Company upon exercise of all Options that are outstanding immediately prior to the Effective Time (assuming that an amount in cash equal to the full exercise price of each Option were delivered to the Company, regardless of whether the Option requires payment of an exercise price), which amount shall be set forth in the Merger Consideration Table; provided, however, that any Underwater Option shall be disregarded for purposes of this definition.

"Options" shall mean the outstanding options to purchase shares of Common Stock granted under a Benefit Plan.

"Order" shall mean any award, judgment, injunction, determination, consent, ruling, decree or order (whether temporary, preliminary or permanent) issued, adopted, granted, awarded or entered by any Governmental Authority or private arbitrator of competent jurisdiction.

"Organizational Documents" shall mean the articles of incorporation, certificate of incorporation, charter, bylaws, articles of formation, certificate of formation, regulations, operating

agreement, certificate of limited partnership, partnership agreement and all other similar documents, instruments or certificates executed, adopted or filed in connection with the creation, formation or organization of a Person, including any amendments, restatements and supplements thereto.

"Owned Real Property" shall mean all real property owned in fee simple by the Company or any of its Subsidiaries as of the date of this Agreement.

"Parent" shall have the meaning set forth in the Preamble.

"Parent 401(k) Plan" shall have the meaning set forth in Section 5.12(e).

"Parent Common Stock" shall mean the common stock of Parent.

"Parent Disclosure Letter" shall have the meaning set forth in the introductory language to Article IV.

"Parent Indemnitees" shall have the meaning set forth in Section 9.1.

"Parent Leased Real Property" shall mean real property, including any buildings, structures, facilities, fixtures, and improvements thereon, which the Parent or any of its Subsidiaries, as of the date of this Agreement, leases, subleases or occupies as tenant, subtenant or occupant pursuant to any Parent Lease.

"Parent Leases" shall mean leases, subleases or other occupancy agreements (together with any and all amendments and modifications thereto and any guarantees thereof) binding on the Parent or any of its Subsidiaries.

"Parent Material Adverse Effect" shall mean any change, event, fact, effect or occurrence that has, or would reasonably be expected to have, a material adverse effect on the financial condition, business, assets or results of operations of Parent and its Subsidiaries, taken as a whole; provided, however, that in determining whether there has been a Parent Material Adverse Effect, any change, event, fact, effect or occurrence attributable to, arising out of, or resulting from any of the following shall be disregarded: (a) general political, economic, business, industry, credit, financial or capital market conditions in the United States or internationally, including conditions affecting generally the principal industries in which Parent and its Subsidiaries operate, (b) pandemics, earthquakes, tornados, hurricanes, floods and acts of God, (c) acts of war (whether declared or not declared), sabotage, terrorism, military actions or the escalation thereof, (d) any change in applicable Laws or GAAP (or authoritative interpretation or enforcement thereof) which is proposed, approved or enacted on or after the date hereof, (e) any failure, in and of itself, to meet estimates or projections of financial performance (but excluding any underlying change, event, fact, effect or occurrence giving rise, in whole or in part, to such failure), and (f) the announcement, in and of itself, of this Agreement and the transactions contemplated hereby; provided, further, that the changes, events, facts, effects or occurrences described in clauses (a)-(d) may be taken into account in determining whether there has been, could or would be a Parent Material Adverse Effect to the extent such changes, events, facts, effects or occurrences negatively and disproportionately adversely affect

Parent and its Subsidiaries, taken as whole, in relation to other Persons in the principal industries of Parent and its Subsidiaries.

"Parent Permits" shall have the meaning set forth in Section 4.9.

"Parent SEC Documents" shall have the meaning set forth in Section 4.7(a).

"Parent-Related Fraud" shall mean fraud by Parent or by any of Parent's Subsidiaries (or by any agent, employee, officer or director of Parent or any of its Subsidiaries at the time of such fraud) with respect to omissions or misstatements, representations and warranties, misrepresentations or conduct; provided, however, that in no event shall the Company or Surviving Company be considered a Subsidiary of Parent for purposes of this definition.

"Patents" shall have the meaning set forth in Section 3.19(a).

"PBGC" shall have the meaning set forth in Section 3.12(c).

"Per Option Merger Consideration" shall mean with respect to each Option that is not an Underwater Option, an amount in cash equal to the Per Share Common Stock Merger Consideration, *minus* the per share exercise price of such Option. For the avoidance of doubt, the Per Option Merger Consideration for any Underwater Option shall be zero.

"Per Share Accredited Preferred Stock Merger Consideration" shall mean (a) an amount in cash equal to the quotient of (i) the Aggregate Accredited Cash Merger Consideration, *divided by* (ii) the Accredited Investor Shares, and (b) a number of shares of Parent Common Stock equal to the quotient of (i) the Aggregate Accredited Equity Merger Consideration *divided by* (ii) the Accredited Investor Shares. Such amounts shall be set forth in the Merger Consideration Table.

"Per Share Common Stock Merger Consideration" shall mean an amount, which amount shall be set forth in the Merger Consideration Table, in cash equal to the quotient of (a) the Aggregate Participating Amount, *divided by* (b) the Fully Diluted Outstanding Stock immediately prior to the Effective Time.

"Per Share Preferred Stock Liquidation Preference Amount" shall mean an amount, which amount shall be set forth in the Merger Consideration Table, equal to the sum of (i) $2.50 (as adjusted for stock dividends, stock splits, recapitalizations, and the like) and (ii) an amount equal to the product of (A) 0.06 and (B) the quotient of (i) the number of days that such share of Preferred Stock has been outstanding and (ii) 365, for such share of Preferred Stock, which amount is set forth in the Merger Consideration Table.

"Per Share Preferred Stock Merger Amount" shall mean an amount, which amount shall be set forth in the Merger Consideration Table, equal to the sum of (a) the Per Share Preferred Stock Liquidation Preference Amount, *plus* (b) the product of the Per Share Common Stock Merger Consideration, *multiplied by* 1.140977.

"Per Share Preferred Stock Merger Consideration" shall mean, with respect to each share of Preferred Stock issued and outstanding immediately prior to the Effective Time that is:

(a) (i) held by a Stockholder that is not an Accredited Investor, or (ii) otherwise Beneficially Owned by any Person that is not an Accredited Investor, an amount of cash equal to the Per Share Preferred Stock Merger Amount, provided that the same share of Preferred Stock shall not be double counted to the extent such share is covered by both clauses (i) and (ii); or

(b) (i) held by a Stockholder that is an Accredited Investor, or (ii) otherwise Beneficially Owned by any Person that is an Accredited Investor, the Per Share Accredited Preferred Stock Merger Consideration, provided that the same share shall not be double counted to the extent such share is covered by both clauses (i) and (ii).

"Permits" shall have the meaning set forth in Section 3.11(a).

"Permitted Liens" shall mean (a) Liens for Taxes, assessments and governmental charges or levies not yet delinquent or that are being contested in good faith through appropriate proceedings and for which adequate reserves are reflected on the Latest Company Balance Sheet (or in the case of Parent, the latest balance sheet included in the Parent SEC Documents), in accordance with GAAP, (b) materialmen's, mechanics', carriers', workmen's and repairmen's liens, any statutory Liens arising in the ordinary course of business by operation of applicable Laws with respect to a liability that is not yet delinquent or being contested in good faith through appropriate proceedings and for which adequate reserves are reflected on the Latest Company Balance Sheet (or in the case of Parent, the latest balance sheet included in the Parent SEC Documents), in accordance with GAAP, (c) pledges or deposits to secure obligations under workers' compensation laws, unemployment insurance, social security, retirement or similar legislation or to secure public or statutory obligations, (d) deposits to secure the performance of Company Leases, Parent Leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business consistent with past practice, (e) all covenants, conditions, restrictions, easements, title defects and other similar matters of record affecting title to the Company Leased Real Property or the Parent Leased Property, as applicable, and which would be disclosed by an accurate survey of the Company Leased Real Property or the Parent Leased Property, as applicable, which do not and would not reasonably be expected to, individually or in the aggregate, interfere in any material respects with the present use of such Company Leased Real Property by the Company and its Subsidiaries (or the present use of the such Parent Leased Real Property by the Parent and its Subsidiaries) or the continued use thereof by the Surviving Company and its Subsidiaries, or by the Parent and its Subsidiaries, as applicable, in either case in the ordinary course of business consistent with past practice, (f) all applicable zoning, entitlement, conservation restrictions, building and similar codes and regulations and other land use regulations, none of which interferes adversely and in any material respect with the present use of, such Company Leased Real Property or such Parent Leased Real Property, as applicable, and (g) Liens on goods in transit incurred pursuant to documentary letters of credit.

"Person" shall mean an individual, corporation, partnership, joint venture, trust, association, estate, joint stock company, limited liability company, Governmental Authority or any other organization or entity of any kind.

"PMAs" shall have the meaning set forth in Section 3.11(c).

"Post-Closing Tax Period" means any taxable period beginning immediately after the Closing Date, and, with respect to any taxable period beginning before and ending after the Closing, means the portion of such taxable period commencing immediately after the Closing Date.

"Pre-Closing Tax Period" means any taxable period ending on or before the Closing Date and the portion through the end of the Closing Date for any Straddle Period.

"Preferred Stock" shall have the meaning set forth in Section 3.2(a).

"Preferred Stockholder" shall mean a holder of Preferred Stock.

"Pro Rata Share" shall mean, (1) with respect to any payments or calculations made to, from or with respect to the Administrative Expense Fund, the Indemnification Escrow Account and the Adjustment Reserve (including any positive purchase price adjustments pursuant to Section 2.10), a fraction, expressed as a percentage equal to (a) the sum of (i) a value equal to (x) the total number of shares of Common Stock held by such Holder as of immediately prior to the Effective Time (on an as-converted basis, assuming all shares of Preferred Stock held thereby as of immediately prior to the Effective Time were converted at such time into shares of Common Stock pursuant to the exercise of "Conversion Rights", as defined in Section C.4 of Article Fourth of the Certificate of Incorporation) multiplied by (y) the Per Share Common Stock Merger Consideration, plus (ii) a value equal to (x) the total number of shares of Common Stock subject to the exercise of Options that are held by such Holder as of immediately prior to the Effective Time multiplied by (y) the Per Share Common Stock Merger Consideration; provided, however, that any Underwater Option shall be disregarded for purposes of this definition, plus (iii) a value equal to the total amount payable to such Holder from the Transaction Bonus Pool Amount, divided by (b) the sum of (i), (ii) and (iii) of clause 1(a) of this definition for all Holders, and (2) (a) if necessary to fully fund the Expense Fund, the Adjustment Reserve and the Indemnification Escrow Account (to the extent of the shortfall in the applicable amount after using the methodology in clause 1(a) of this definition), and (b) with respect to any calculations of amounts payable to or by a Holder which are not limited to the Expense Fund, the Adjustment Reserve (including any positive purchase price adjustments pursuant to Section 2.10) or the Indemnification Escrow Account, the fraction expressed as a percentage, equal to the portion of the Total Proceeds payable to such Holder relative to the Total Proceeds payable to all Holders, in each case assuming all of the Total Proceeds are paid to the Holders, which percentage shall be set forth in the Merger Consideration Table next to such Holder's name for such Holder's share of the Expense Fund, the Adjustment Reserve, the Indemnification Escrow Account and for the purposes of clauses 2(a) and 2(b) of this definition.

"PTO" shall have the meaning set forth in Section 5.12(d).

"Purchase Price" shall mean an amount equal to $130,000,000.

"Quarterly Financials" shall have the meaning set forth in Section 5.11.

"Reference Price" shall mean $10.53.

"Registration Rights Agreement" shall have the meaning set forth in Section 2.2(b)(v).

"Registration Statement" shall have the meaning set forth in Section 2.2(b)(v).

"Related Party" shall have the meaning set forth in Section 3.23.

"Release" shall mean any releasing, disposing, discharging, injecting, spilling, leaking, leaching, pumping, dumping, emitting, escaping, emptying or seeping into or upon, any land, soil, surface water, groundwater or air, or otherwise entering into the outdoor environment.

"Released Holder Claims" shall have the meaning set forth in Section 5.15.

"Representative Expenses" shall have the meaning set forth in Section 10.12(i).

"Representative Group" shall have the meaning set forth in Section 10.12(i).

"Representatives" shall have the meaning specified in Section 5.11.

"Response Action" shall mean any action taken by any Person to investigate, abate, monitor, remediate, remove, mitigate or otherwise address any violation of Environmental Law by the Company or any of its Subsidiaries, any Contamination of Company Leased Real Property or any actual or threatened Release of Hazardous Substances, including any such action that would be a "response" as defined by the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 (25).

"Restricted Cash" means cash underlying uncleared checks, drafts and wire transfers, in each case by the Company or any of its Subsidiaries.

"Restricted Shares" means all shares of Parent Common Stock issuable hereunder, other than shares of Parent Common Stock (a) the offer and sale of which have been registered under a registration statement pursuant to the Securities Act and sold thereunder, (b) with respect to which a sale or other disposition has been made in reliance on and in accordance with Rule 144 (or any successor provision) under the Securities Act, or (c) with respect to which the holder thereof shall have delivered to Parent either (i) an opinion of counsel in form and substance reasonably satisfactory to Parent, or (ii) a "no action" letter from the SEC, in either case to the effect that subsequent transfers of such shares of Parent Common Stock may be effected without registration under the Securities Act.

"Rule 501" means Rule 501 under Regulation D of the Securities Act.

"Runoff D&O Insurance" shall have the meaning set forth in Section 5.8(b).

"SEC" shall mean the U.S. Securities and Exchange Commission.

"Securities Act" shall mean the Securities Act of 1933, as amended from time to time, and the rules and regulations promulgated thereunder.

"Significant Option Holders" shall mean the individuals set forth on Section 1.1(b) of the Company Disclosure Letter.

"Significant Stockholders" shall mean Paul Royalty Fund, L.P., PTV Sciences II, L.P., and the Persons set forth on Section 1.1(b) of the Company Disclosure Letter.

"Single Holder Claim" shall have the meaning set forth in Section 9.4(f).

"Standstill Agreements" shall have the meaning set forth in Section 2.2(b)(iv).

"Stockholder Indemnitees" shall have the meaning set forth in Section 9.2.

"Stockholders" shall mean, collectively, the Common Stockholders and Preferred Stockholders.

"Stockholders' Representative" shall have the meaning set forth in the Preamble.

"Straddle Period" shall have the meaning set forth in Section 5.14(b).

"Subsidiary" shall mean any corporation, partnership, limited liability company or other Person of which another Person, either alone or together with one or more Subsidiaries (a) directly or indirectly owns or purports to own, beneficially or of record securities or other interests representing more than 50% of the outstanding equity, voting power, or financial interests of such Person or (b) is entitled, by Contract or otherwise, to elect, appoint or designate directors constituting a majority of the members of such Person's board of directors or other governing body.

"Surviving Company" shall have the meaning set forth in the Recitals.

"Takeover Law" shall mean any "moratorium," "control share acquisition," "business combination," "fair price" or other form of anti-takeover Laws of any jurisdiction or other applicable Laws that purport to limit or restrict business combinations or the ability to limit or restrict business combinations or the ability to acquire or to vote shares.

"Target Working Capital" means an amount equal to $13,100,000.

"Tax" shall mean all U.S. federal, state, local or foreign taxes, imposts, levies or other assessments, including any net income, capital gains, gross income, gross receipts, sales, use, transfer, ad valorem, franchise, profits, license, capital, withholding, payroll, estimated, employment, excise, goods and services, severance, stamp, occupation, premium, property, social security,

environmental (including Section 59A of the Code), alternative or add-on, value added, registration, occupancy, capital stock, unincorporated business, unemployment, disability, workers compensation, accumulated earnings, personal holding company, annual reports, windfall profits or other taxes, duties, charges, fees, levies or other assessments of any nature whatsoever imposed by any Governmental Authority, together with all interest, penalties or additions to tax imposed with respect thereto.

"Tax Proceeding" shall mean any audit, examination, investigation, claim, contest, dispute, litigation or other proceeding with respect to Taxes or by or against any Taxing Authority.

"Tax Returns" shall mean any report, return (including any information return), declaration, claim for refund or other document filed or required to be filed with any Taxing Authority or jurisdiction with respect to Taxes, including any attachment thereto and any amendment thereof.

"Taxing Authority" shall mean any Governmental Authority having or purporting to exercise jurisdiction with respect to any Tax.

"Termination Date" shall have the meaning set forth in Section 8.1(b).

"Threshold Amount" shall have the meaning set forth in Section 9.4(a)(iv).

"Third Party Claim" shall have the meaning set forth in Section 9.3(b)(i).

"Total Proceeds" shall mean the sum of amounts payable by Parent pursuant to this Agreement with respect to Company Capital Stock and Options plus the Transaction Bonus Pool Amount.

"Trade Secrets" shall have the meaning set forth in Section 3.19(a).

"Transaction Bonus Pool" shall mean the Benefit Plan identified on Section 1.1(c) of the Company Disclosure Letter.

"Transaction Bonus Pool Amount" shall mean an amount equal to the aggregate amount payable by or on behalf of the Company in connection with the Merger under the Transaction Bonus Pool.

"Transaction Costs" shall mean all attorneys', financial advisors', accountants', consultants' or brokers' charges, fees or expenses accrued or incurred, prior to or upon the Effective Time, by the Company or the Company's (a) Affiliates, (b) Subsidiaries or (c) equityholders and for which the Company or any of its Subsidiaries is obligated to pay, in connection with the negotiation, preparation, execution and delivery of this Agreement and the other agreements, certificates and other documents contemplated hereby and the consummation of the transactions contemplated hereby and thereby, including the Merger. Transaction Costs shall also include (x) the items set forth on Section 1.1(d) of the Company Disclosure Letter, (y) the Transaction Bonus Pool Amount and (z) any unpaid employee bonuses (which for the avoidance of doubt shall exclude unpaid

ordinary course sales commissions and related sales bonus payments pursuant to pre-existing sales compensation arrangements provided that such amounts are included as current liabilities in the definition of Working Capital). Notwithstanding anything to the contrary in this definition of Transaction Costs, Transaction Costs shall not include the third party professional fees of KPMG, LLP and Padgett, Stratemann & Co. to the extent they arise from services rendered pursuant to the obligations pursuant to Section 5.5(c) and Section 5.5(d) (including up to $75,000 for costs incurred prior to the date hereof) to review and make any necessary revisions to the Company Financial Statements (and to any financial statements delivered pursuant to Section 5.5(c) and Section5.5(d)) that are necessary to ensure that such financial statements meet the requirements of Regulation S-X under the Exchange Act.

"Transfer Taxes" shall have the meaning set forth in Section 5.14(e).

"True Up Calculations" shall have the meaning set forth in Section 2.10(b).

"True Up Date" shall have the meaning set forth in Section 2.10(b).

"True Up Price Deduction" shall have the meaning set forth in Section 2.10(d).

"Underwater Option" shall mean any Option with an exercise price equal to or in excess of the Per Share Common Stock Merger Consideration.

"Worker Safety Laws" shall have the meaning set forth in Section 3.13(e).

"Working Capital" shall mean when measured (i) all current assets (which shall consist of accounts receivable, inventories, prepaid expenses, and other current assets, but shall exclude (a) deferred Tax assets, (b) Cash on Hand, (c) any Affiliate receivables, (d) prepaid expenses relating to Transaction Costs of the Company and its Subsidiaries), *minus* (ii) all current liabilities (which shall consist of accounts payable and accrued and other current liabilities, but shall exclude (a) deferred Tax liabilities, (b) deferred revenue, (c) Indebtedness of the Company and its Subsidiaries, and (d) Transaction Costs), in each case with respect to such current assets and current liabilities, as determined in accordance with GAAP and, to the extent consistent with GAAP, the accounting policies and methods of the Company used in the preparation of the Latest Company Balance Sheet.

"Working Capital Adjustment" shall have the meaning set forth in Section 2.10(c).

Article II

MERGER

2.1 Merger. Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time, Merger Sub shall be merged with and into the Company in accordance with the terms of, and subject to the conditions set forth in, this Agreement and the DGCL. Following the

Merger, the Company shall continue as the Surviving Company and the separate corporate existence of Merger Sub shall cease.

2.2 Closing.

(a) The Closing shall take place at the offices of Wilson Sonsini Goodrich & Rosati, Professional Corporation, 900 South Capital of Texas Highway, Las Cimas IV, Fifth Floor, Austin, Texas 78746, at 10:00 A.M. Central time on the fifth (5th) Business Day following satisfaction or waiver of the conditions precedent set forth in Article VI (including the delivery of the Merger Consideration Table) and Article VII (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at such time) occurs and continues, or such other date, time and place as may be agreed by Parent and the Company. Notwithstanding the foregoing, (i) the Closing may be conducted remotely by facsimile, e-mail or other electronic communication and (ii) unless otherwise agreed by Parent and the Company, the Closing shall not occur before January 19, 2016. The date on which the Closing actually occurs in accordance with the immediately preceding sentence is referred to in this Agreement as the "Closing Date."

(b) At or prior to the Closing, the Company and, as applicable, the Stockholders' Representative shall deliver the following to Parent:

(i) a certificate, dated the Closing Date, of a senior executive officer of the Company certifying the matters set forth in Section 6.1, Section 6.2, Section 6.4, Section 6.5, Section 6.12 and Section 6.13;

(ii) (A) a duly executed certificate, dated as of the Closing Date, satisfying the requirements of Treasury Regulation Section 1.1445-2(c)(3), to the effect that no interest in the Company is a "United States real property interest" within the meaning of Section 897(c)(1) of the Code and (B) a notice of such certification to the Internal Revenue Service satisfying the requirements of Treasury Regulation Section 1.897-2(h);

(iii) the Escrow Agreement, duly executed by the Stockholders' Representative;

(iv) the Lockup Agreements, in form attached hereto as Exhibit G (the "Lockup Agreements"), duly executed by each of Paul Royalty Fund, L.P. and PTV Sciences II, L.P.;

(v) the Registration Rights Agreement, in form attached hereto as Exhibit H (the "Registration Rights Agreement"), duly executed by each Stockholder that will receive a portion of the Aggregate Accredited Equity Merger Consideration, setting forth the obligations of Parent with respect to the filing of a registration statement on Form S-3 for the resale of the Aggregate Accredited Equity Merger Consideration (the "Registration Statement");

(vi) payoff letters acceptable to Parent with respect to the repayment at the Effective Time by Parent of all Indebtedness of the Company and any of its Subsidiaries and signed by the applicable creditor and with respect to the Consent Payment;

(vii) evidence reasonably satisfactory to Parent that the consents, waivers and/or notices set forth on Section 2.2(b)(vii) of the Company Disclosure Letter shall have been obtained or delivered (as the case may be);

(viii) the Merger Consideration Table;

(ix) a statement setting forth each of the matters required to be set forth pursuant to Section 2.10(a);

(x) evidence reasonably satisfactory to Parent that the Contracts set forth in Section 2.2(b)(x) of the Company Disclosure Letter, if any, shall have been terminated;

(xi) a certificate, validly executed by the Secretary of the Company, certifying (i) as to the adoption of resolutions of the Board whereby this Agreement, the Merger and the transactions contemplated hereunder were approved by the Board, and (ii) that this Agreement has been approved and adopted by the requisite vote of the Company's stockholders; and

(xii) resignation letters executed and delivered by the directors and corporate officers of the Company and its Subsidiaries set forth on Section 2.2(b)(xii) of the Company Disclosure Letter.

(c) At or prior to the Closing, Parent and Merger Sub shall deliver the following:

(i) to the Company, a certificate, dated the Closing Date, of a senior executive officer of Parent certifying the matters set forth in Section 7.1, Section 7.2 and Section 7.6;

(ii) to the Company and to the Stockholders' Representative, the Escrow Agreement, duly executed by Parent and the Escrow Agent;

(iii) to the Company, the Lockup Agreements, duly executed by Parent;

(iv) to the Company, the Registration Rights Agreement, duly executed by Parent;

(v) to the Exchange Agent, (x) evidence of book-entry shares representing the Aggregate Accredited Equity Merger Consideration (less any fractional shares that are cashed out pursuant to Section 2.9(b)(viii)) , and (y) via a wire transfer of immediately available funds, an amount representing the sum of (A) the Aggregate Cash Merger Consideration, *minus* (B) the Escrowed Amounts, plus (C) cash necessary to pay cash in lieu of fractional shares pursuant to Section 2.9(b)(viii);

(vi) to the Company, via a wire transfer of immediately available funds, an amount representing the sum of (x) the Aggregate Option Merger Consideration (less the Pro Rata Share of the Escrowed Amounts that are attributable to the Options), *plus* (y) the Transaction Bonus Pool Amount;

(vii) payments of the Company's Indebtedness or its Subsidiaries to be repaid at the Effective Time and the Company's Transaction Costs (other than the Transaction Bonus Pool Amount), via wire transfers of immediately available funds, in such amounts and to the Persons as set forth on the statement delivered pursuant to Section 2.10(a) hereof; and

(viii) to the Escrow Agent, via a wire transfer of immediately available funds, the Escrow Amount and the Adjustment Reserve; and

(ix) to the Stockholders' Representative, via a wire transfer of immediately available funds, the Administrative Expense Amount.

2.3 Effective Time. Contemporaneously with the Closing, the parties hereto shall cause a certificate of merger meeting the requirements of Section 251 of the DGCL (the "Certificate of Merger") to be properly executed and filed with the Secretary of State of the State of Delaware in accordance with the terms and conditions of the DGCL. The Merger shall become effective at 11:59:59 p.m. on the Closing Date, or at such other time which the parties hereto shall have agreed and designated in the Certificate of Merger as the effective time of the Merger (the "Effective Time").

2.4 Effects of the Merger. The Merger shall have the effects set forth in this Agreement and the applicable provisions of the DGCL and the Certificate of Merger. Without limiting the generality of the foregoing and subject thereto, at the Effective Time, except as provided by Section 10.20, all the property, rights, privileges, powers and franchises of the Company and Merger Sub shall vest in the Surviving Company, and all debts, liabilities and duties of the Company and Merger Sub shall become the debts, liabilities and duties of the Surviving Company.

2.5 Certificate of Incorporation and Bylaws. The certificate of incorporation of Merger Sub in effect immediately prior to the Effective Time shall be the certificate of incorporation of the Surviving Company in the Merger as of the Effective Time, and the bylaws of Merger Sub in effect immediately prior to the Effective Time shall be the bylaws of the Surviving Company in the Merger as of the Effective Time, until amended in accordance with applicable Laws.

2.6 Directors and Officers. Until duly removed or until successors are duly elected or appointed and qualified, the directors of Merger Sub immediately prior to the Effective Time shall be the initial directors of the Surviving Company as of the Effective Time, and the officers of Merger Sub immediately prior to the Effective Time shall be the initial officers of the Surviving Company as of the Effective Time.

2.7 Conversion of Shares and Options; Payment of Transaction Bonus Pool Amount. At the Effective Time, by virtue of the Merger and without any action on the part of any party:

(a) Each share of common stock, par value $0.001 per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and become one share of common stock, par value $0.001 per share, of the Surviving Company.

(b) Each share of Common Stock issued and outstanding immediately prior to the Effective Time (other than Canceled Shares or Dissenting Shares) and all rights in respect thereof, shall, by virtue of the Merger and pursuant to and subject to the provisions of Section 2.9, be canceled and each holder of a Certificate (or uncertificated shares as reflected in the books and records of the Company) that immediately prior to the Effective Time represented any such shares of Common Stock shall cease to have any rights with respect thereto, and such Holder shall have the right to receive the Per Share Common Stock Merger Consideration, without interest; provided, however, that such Holder's right to receive the Per Share Common Stock Merger Consideration is conditioned upon the execution and delivery by such Holder of the Joinder Agreement and the amount such Holder is entitled to receive shall be (i) reduced by the Escrowed Amounts being withheld and paid or applied at a later time in accordance with the terms of this Agreement and the Escrow Agreement and if applicable, the amount of any required withholding under applicable Tax Law as provided in Section 2.9(b)(v), and (ii) subject to the indemnification obligations in Article IX, if applicable.

(c) Each share of Preferred Stock issued and outstanding immediately prior to the Effective Time (other than Canceled Shares or Dissenting Shares) and all rights in respect thereof, shall, by virtue of the Merger and pursuant to and subject to the provisions of Section 2.9, be canceled and each holder of a Certificate (or uncertificated shares as reflected in the books and records of the Company) that immediately prior to the Effective Time represented any such shares of Preferred Stock shall cease to have any rights with respect thereto, and such Holder shall have the right to receive the Per Share Preferred Stock Merger Consideration and any cash in lieu of fractional shares of Parent Common Stock to be issued or paid in consideration therefor in accordance with Sections 2.9(b), without interest; provided, however, that such Holder's right to receive the Per Share Preferred Stock Merger Consideration and any such cash in lieu of fractional shares of Parent Common Stock to be issued or paid in consideration therefor is conditioned upon the execution and delivery by such Holder of the Joinder Agreement and the amount such Holder is entitled to receive shall be (i) subject to and reduced by the Escrowed Amounts being withheld and paid or applied at a later time in accordance with the terms of this Agreement and the Escrow Agreement and if applicable, the amount of any required withholding under applicable Tax Law as provided in Section 2.9(b)(v), and (ii) subject to the indemnification obligations in Article IX, if applicable.

(d) Each share of Common Stock and Preferred Stock held by the Company as treasury stock, or held by any direct or indirect wholly owned Subsidiary of the Company, or held by Parent or any direct or indirect wholly owned Subsidiary of Parent (including Merger Sub), in each case, immediately prior to the Effective Time (the "Canceled Shares"), shall be canceled and retired without any conversion thereof, and no payment or distribution shall be made with respect thereto.

(e) Neither Parent nor any of its Subsidiaries (including Merger Sub) shall assume nor be deemed to assume any Options nor the Company's 2007 Stock Option/Stock Issuance Plan. Accordingly, pursuant to Article Two Section III of the 2007 Stock Option/Stock Issuance Plan and the corresponding provisions of the agreements evidencing the Options, the vesting of each Option shall be accelerated in full effective as of immediately prior to the Effective Time and shall be canceled as of the Effective Time except to the extent of the right to receive the payments provided herein on the terms and subject to the conditions set forth herein. Subject to receipt by Parent of an executed Option Cancellation Agreement by the respective holder of each Option, each Option outstanding and unexercised immediately prior to the Effective Time, and all rights in respect thereof, shall by virtue of the Merger and pursuant to and subject to the requirements and conditions of Section 2.9, be converted into the right to receive the applicable Per Option Merger Consideration, subject to and reduced by the Escrowed Amounts being withheld and paid or applied at a later time in accordance with the terms of this Agreement and the Escrow Agreement and, if applicable, reduced by the indemnification obligations in Article IX and less applicable withholding, and all such Options shall otherwise cease to be outstanding, shall be canceled and shall cease to exist (any amounts paid to a holder of Options from the Escrowed Amounts to be paid in a manner intended to comply with Section 409A of the Code, and such amounts to be reduced by any applicable withholding or other Taxes required by applicable Laws to be withheld or otherwise paid by the Company or the Surviving Company, including any fringe benefit tax, which amounts so withheld shall be paid to the applicable Taxing Authority and shall be treated for all purposes of this Agreement as having been delivered and paid to such Persons in respect of which such deduction and withholding and was made).

(f) Subject to receipt by Parent of an executed Joinder Agreement by the respective Holder by the Effective Time, and pursuant to and subject to the requirements and conditions of Section 2.9, each Holder shall receive the applicable portion of the Transaction Bonus Pool Amount, subject to and reduced by the Escrowed Amounts being withheld and paid at the time of distribution of the Indemnification Escrow Account in accordance with the terms of this Agreement and the Escrow Agreement and, if applicable, reduced by the indemnification obligations in Article IX and less applicable withholding, and the Transaction Bonus Pool and all rights therein shall be canceled and shall cease to exist (any amounts paid to participants in the Transaction Bonus Pool from the Escrowed Amounts to be paid in a manner intended to comply with Section 409A of the Code, and such amounts to be reduced by any applicable withholding or other Taxes required by applicable Laws to be withheld or otherwise paid by the Company or the Surviving Company, including any fringe benefit tax, which amounts so withheld shall be paid to the applicable Taxing Authority and shall be treated for all purposes of this Agreement as having been delivered and paid to such Persons in respect of which such deduction and withholding and was made).

2.8 Dissenting Shares. Notwithstanding any other provision of this Agreement to the contrary, shares of Common Stock and Preferred Stock that are issued and outstanding immediately prior to the Effective Time and which are held by stockholders who shall have (a) not voted in favor of the Merger or consented thereto in writing, and (b) otherwise perfect such Stockholder's appraisal rights in accordance with and as contemplated by Section 262 of the DGCL (collectively, the "Dissenting Shares") shall not be converted into or represent the right to receive the Per Share

Common Stock Merger Consideration or the applicable Per Share Preferred Stock Merger Consideration. Such stockholders instead shall only be entitled to such rights are as granted by Section 262 of the DGCL, except that all Dissenting Shares held by stockholders who shall have failed to perfect, withdrawn or otherwise lost, the right to appraisal of such shares under Section 262 of the DGCL shall thereupon be deemed to have been canceled and, subject to and reduced by the Escrowed Amounts, subject to and, if applicable, reduced by the indemnification obligations in Article IX, converted into and to have become exchangeable, as of the Effective Time, for the right to receive, without any interest thereon, the Per Share Common Stock Merger Consideration or the Per Share Preferred Stock Merger Consideration (as applicable) upon surrender in the manner provided in Section 2.9. The Company shall (i) give Parent prompt notice of any notice or demand for appraisal or payment for shares of Common Stock and Preferred Stock or any withdrawals of such demands received by the Company, (ii) give Parent the opportunity to participate in all negotiations and proceedings with respect to any such demands and (iii) not, without the prior written consent of Parent, make any payment with respect to, or settle or offer to settle any such demands.

2.9 Payment of Merger Consideration.

(a) Prior to the Closing, Parent shall appoint a bank or trust company of national recognition reasonably acceptable to the Company, to act as exchange agent (the "Exchange Agent") hereunder. At the Closing, Parent shall deposit, or cause to be deposited, with the Exchange Agent, in trust for the benefit of the holders of shares of Company Capital Stock, for exchange in accordance with this Section 2.9, (i) evidence of book-entry shares representing the Aggregate Accredited Equity Merger Consideration, and (ii) cash representing the sum of (A) the Aggregate Cash Merger Consideration, *minus* (B) the aggregate portion of the Escrowed Amounts attributable to the holders of shares of Company Capital Stock, *plus* (C) cash in lieu of fractional shares pursuant to Section 2.9(b)(viii) (such shares of Parent Common Stock together with such cash, the "Exchange Fund"). Upon the Effective Time, subject to the satisfaction of the requirements and conditions set forth in Section 2.7 and Section 2.9, Parent shall cause the Exchange Agent to pay from the Exchange Fund to each Stockholder, who has surrendered its Certificates (or Lost Certificate Affidavit) and a properly completed and duly executed Letter of Transmittal at least two (2) Business Days prior to the Closing Date, the Per Share Common Stock Merger Consideration with respect to each share of Common Stock held by such Stockholder and the Per Share Preferred Stock Merger Consideration with respect to each share of Preferred Stock held by such Stockholder, as applicable, and in each case less a cash amount equal to such Holder's respective Pro Rata Share of the Escrowed Amounts being withheld and paid or applied at a later time in accordance with the terms of this Agreement and the Escrow Agreement, in each case in accordance with the procedures set forth in Sections 2.9(b) and (c) and in the Letter of Transmittal. From and after the Effective Time, subject to the satisfaction of the requirements and conditions set forth in Section 2.7 and Section 2.9, Parent shall cause the Exchange Agent to pay from the Exchange Fund to each other Stockholder the Per Share Common Stock Merger Consideration with respect to each share of Common Stock held by such Stockholder and the Per Share Preferred Stock Merger Consideration with respect to each share of Preferred Stock held by such Stockholder, as applicable, and in each case less a cash amount equal to such Holder's respective Pro Rata Share of

the Escrowed Amounts being withheld and paid or applied at a later time in accordance with the terms of this Agreement and the Escrow Agreement), in each case in accordance with the procedures set forth in Sections 2.9(b) and (c) and in the Letter of Transmittal. In addition, at the Effective Time, Parent shall pay cash to the Surviving Company sufficient for payment to (x) subject to receipt by Parent of an executed Option Cancellation Agreement by the respective holder of each Option, each holder of Options (excluding Underwater Options), the Per Option Merger Consideration for each outstanding and unexercised Option (less the Pro Rata Share of the Escrowed Amounts that are attributable to the Options), and (y) subject to receipt by Parent of an executed Joinder Agreement by the respective participant in the Transaction Bonus Pool, each recipient of a portion of the Transaction Bonus Pool Amount, the amount payable thereto as set forth on identified on the Merger Consideration Table (less the Pro Rata Share of the Escrowed Amounts that are attributable to the Transaction Bonus Pool Amount), no later than the Company's first payroll run following the Effective Time. In addition, on the Closing Date, Parent shall deposit, or cause to be deposited, via a wire transfer of immediately available funds, (A) to the Escrow Agent, the Escrow Amount and the Adjustment Reserve, and (B) to the Stockholders' Representative, the Administrative Expense Amount.

(b) The following provisions shall be applicable to payment of the Per Share Common Stock Merger Consideration, the applicable Per Share Preferred Stock Merger Consideration and the Per Option Merger Consideration:

(i) Promptly following the Effective Time (but in no event later than two (2) Business Days following the Effective Time), Parent will deliver or mail or will cause the Exchange Agent to deliver or mail to each holder of shares of Company Capital Stock as of the Effective Time that has not delivered an executed Letter of Transmittal and Joinder Agreement to the Exchange Agent as of the Effective Time, a Letter of Transmittal, a Joinder Agreement and instructions for surrendering each Certificate evidencing shares of Company Capital Stock and receiving, subject to the satisfaction of the requirement and conditions in, and pursuant to the terms of, Section 2.7 and Section 2.9, the Per Share Common Stock Merger Consideration or Per Share Preferred Stock Merger Consideration, as applicable, in respect of the Common Stock or Preferred Stock evidenced thereby. Upon the surrender of each such Certificate (or Lost Certificate Affidavit), if applicable, and a properly completed and duly executed Letter of Transmittal and Joinder Agreement at least two (2) Business Days prior to the Closing Date and subject to the satisfaction of the requirements and conditions in, and pursuant to the terms of, Section 2.7 and Section 2.9, the Exchange Agent shall, on the upon the Effective Time, pay the holder of such shares of Company Capital Stock the Per Share Common Stock Merger Consideration or Per Share Preferred Stock Merger Consideration, as applicable, less a cash amount equal to such Holder's respective Pro Rata Share of the Escrowed Amounts being withheld and paid or applied at a later time in accordance with the terms of this Agreement and the Escrow Agreement, in consideration therefor, and such shares of Company Capital Stock and any related Certificate shall be marked as canceled. Upon the surrender of each such Certificate (or Lost Certificate Affidavit), if applicable, and a properly completed and duly executed Letter of Transmittal and Joinder Agreement any time after the date that is two (2) Business Days prior to the Closing Date, the Exchange Agent shall, no earlier than at the Closing Date and as soon as reasonably practicable and subject to the satisfaction of the requirements and

conditions in, and pursuant to the terms of, Section 2.7 and Section 2.9, pay the holder of such shares of Company Capital Stock the Per Share Common Stock Merger Consideration or Per Share Preferred Stock Merger Consideration, as applicable, less a cash amount equal to such Holder's respective Pro Rata Share of the Escrowed Amounts being withheld and paid or applied at a later time in accordance with the terms of this Agreement and the Escrow Agreement, in consideration therefor, and such shares of Company Capital Stock and any related Certificate shall be marked as canceled. Until so surrendered, each such Certificate (other than Certificates representing Canceled Shares) shall represent solely the right, subject to the satisfaction of the requirements and conditions in, and pursuant to the terms of, Section 2.7 and Section 2.9, to receive the Per Share Common Stock Merger Consideration or Per Share Preferred Stock Merger Consideration, as applicable, relating thereto.

(ii) After the Effective Time, there shall be no transfers on the stock transfer books of the Surviving Company of any shares of Company Capital Stock that were outstanding immediately prior to the Effective Time.

(iii) No interest shall accrue or be paid on the Per Share Common Stock Merger Consideration or Per Share Preferred Stock Merger Consideration (as applicable) payable upon the delivery of Certificates or Letters of Transmittal. None of Parent, the Surviving Company, the Exchange Agent or any of their respective Affiliates shall be liable to a Common Stockholder, Preferred Stockholder or holder of Options for any cash or interest thereon delivered in good faith to a public official pursuant to any applicable abandoned property, escheat or similar Laws. Any portion of the Exchange Fund remaining unclaimed by Stockholders twelve (12) months after the Effective Time (or such earlier date immediately prior to such time when the amounts would otherwise escheat to or become property of any Governmental Authority) shall become, to the extent permitted by applicable Laws, the property of the Parent, and any holder of such share of Company Capital Stock who has not theretofore complied with this Article II with respect thereto shall thereafter look only to the Parent for payment of such holder's claim for the Per Share Common Stock Merger Consideration or Per Share Preferred Stock Merger Consideration (as applicable) payable in respect thereof in accordance with Section 2.7.

(iv) In the event that any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact (a "Lost Certificate Affidavit") by the Person claiming such Certificate to be lost, stolen or destroyed, the Exchange Agent will issue, or will cause to be issued, in exchange for such lost, stolen or destroyed Certificate the payments with respect to such Certificate to which such Person is entitled pursuant to this Article II; provided, that the Person to whom such payments are made shall, as a condition precedent to the payment thereof, indemnify Parent and the Surviving Company against any claim that may be made against Parent, Merger Sub or the Surviving Company with respect to the Certificate claimed to have been lost, stolen or destroyed.

(v) Notwithstanding anything in this Agreement to the contrary, the Exchange Agent, Parent, Merger Sub and the Surviving Company shall be entitled to deduct and withhold from any amounts otherwise payable pursuant to this Agreement such amounts as are required to be

deducted or withheld with respect to the making of such payment under the Code or any applicable provision of any Tax Law. To the extent that amounts are so deducted or withheld, such deducted or withheld amounts (x) shall be remitted by the Exchange Agent, Parent, Merger Sub or the Surviving Company, as applicable, to the applicable Governmental Authority, and (y) shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction or withholding was made.

(vi) If payment of the Per Share Common Stock Merger Consideration or Per Share Preferred Stock Merger Consideration (as applicable) in respect of a share of Company Capital Stock is to be made to a Person other than the Person in whose name a surrendered Certificate is registered, it shall be a condition to such payment that the Certificate so surrendered shall be properly endorsed or shall be otherwise in proper form for transfer and that the Person requesting such payment shall have paid any transfer and other Taxes required by reason of such payment in a name other than that of the registered holder of the Certificate surrendered or shall have established to the reasonable satisfaction of Parent that such Taxes either have been paid or are not payable.

(vii) No dividends or other distributions declared or made with respect to Parent Common Stock with a record date after the Effective Time shall be paid to the holder of any unsurrendered Certificate (or uncertificated shares of Company Capital Stock) with respect to the shares of Parent Common Stock issuable upon surrender thereof, and no cash payment with respect any cash portion of the Per Share Common Stock Merger Consideration or Per Share Preferred Stock Merger Consideration (as applicable) or in lieu of fractional shares shall be paid to any such holder, until the surrender of such Certificate (or uncertificated shares of Company Capital Stock) in accordance with this Article II. Subject to escheat, Tax or other applicable Laws, following surrender of any such Certificate (or uncertificated shares of Common Stock), there shall be paid to the holder of the certificate representing whole shares of Parent Common Stock issued in exchange therefor, without interest, at the time of such surrender, (1) the amount of any cash payable in lieu of a fractional share of Parent Common Stock to which such holder is entitled pursuant to Section 2.9(b)(viii) and (2) the amount of dividends or other distributions declared on the shares of Parent Common Stock with a record date after the Effective Time and a payment date prior to such surrender that is payable with respect to such whole shares of Parent Common Stock and, at the appropriate payment date, the amount of dividends or other distributions with a record date after the Effective Time with respect to such whole shares of Parent Common Stock.

(viii) No certificates or scrip representing fractional shares of Parent Common Stock shall be issued upon the conversion of Preferred Stock pursuant to this Article II. Notwithstanding any other provision of this Agreement, each holder of shares of Preferred Stock converted pursuant to the Merger who would otherwise have been entitled to receive a fraction of a share of Parent Common Stock (after taking into account all shares of Preferred Stock exchanged by such holder) shall receive, in lieu thereof, cash (without interest) in an amount equal to such fractional amount *multiplied by* the Reference Price.

(ix) The Exchange Agent shall not invest any cash included in the Exchange Fund.

(c) The following provisions shall be applicable to payment of the Per Share Preferred Stock Merger Consideration:

(i) In order to be eligible to receive Parent Common Stock, each holder of Preferred Stock shall deliver to Parent, in form and substance reasonably satisfactory to Parent, no later than four (4) Business Days prior to the Closing Date an executed Accredited Investor Questionnaire in substantially the form previously provided to Parent (the "Accredited Investor Questionnaire"), certifying, among other things, that such holder of Preferred Stock is an "accredited investor" as defined in Rule 501 of Regulation D under the Securities Act and specifying the relevant provision of Rule 501 pursuant to which such "accredited investor" status is to be verified, and a Joinder Agreement (in the form attached hereto as Exhibit C-1) further confirming such Holder's eligibility to receive Parent Common Stock. Nothing contained herein shall require Parent to issue shares of Parent Common Stock to any Person that Parent knows is not an Accredited Investor. For all purposes under this Agreement, an "Accredited Investor" is a holder of Preferred Stock who satisfies the foregoing conditions of this Section 2.9(c)(i) within the timeframe specified, as reasonably determined by Parent. Any holder of Preferred Stock that does not provide the information required by this Section 2.9(c)(i) within the timeframe specified may be conclusively determined, in Parent's sole discretion, not to be an Accredited Investor for all purposes of this Agreement.

(ii) The certificates representing the shares of Parent Common Stock to be issued and delivered hereunder shall bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. THEY MAY NOT BE SOLD OR OFFERED FOR SALE IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SUCH ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OR AN EXEMPTION FROM SUCH REGISTRATION UNDER SUCH ACT AND SUCH LAWS. THE ISSUER OF THESE SHARES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR OTHER TRANSFER OTHERWISE COMPLIES WITH THE SECURITIES ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION."

(iii) In the event that any such shares of Parent Common Stock cease to be Restricted Shares, Parent shall, upon the written request of the holder thereof, issue to such holder a new certificate representing such shares of Parent Common Stock without the legend required by the foregoing Section 2.9(c)(ii).

(iv) Subject to the terms and conditions of the Registration Rights Agreement, during the time that any such shares of Parent Common Stock are Restricted Shares, a

holder of such shares shall not transfer (including through a distribution in kind to any limited partners of such holder or otherwise to any Beneficial Owner) such shares of Parent Common Stock without first delivering to Parent a written opinion of counsel in form and substance reasonably satisfactory to Parent, that such transfer is being effected in a transaction exempt from registration under the Securities Act that otherwise complies with any applicable securities Laws of any state or other jurisdiction and that would not in any way invalidate or interfere with Parent's state or federal securities offering exemptions utilized in issuing Parent Common Stock in the Merger. Any transferee of a holder of Parent Common Stock acquired hereby shall take such Parent Common Stock subject to the restrictions set forth herein.

(d) Notwithstanding any provision to the contrary in this Agreement, if the Estimated Purchase Price is less than $39,000,000, (i) the Aggregate Cash Merger Consideration shall be equal to zero, (ii) the Estimated Purchase Price shall consist solely of the Aggregate Equity Amount, (iii) the Aggregate Equity Amount will be reduced below $39,000,000 to an amount equal to the Estimated Purchase Price, and (iv) the Escrowed Amounts will be funded with shares of Parent Common Stock otherwise issuable to Accredited Investors pursuant to Section 2.9(c) on a pro rata basis based on the Reference Price and the relative number of shares of Parent Common Stock otherwise issuable to the Accredited Investors.

2.10 Adjustment of Purchase Price.

(a) Not less than three (3) Business Days prior to the Closing Date, the Company shall deliver to Parent a statement prepared in good faith setting forth in reasonable detail (i) the estimated Cash on Hand as of the Effective Time, (ii) the estimated Indebtedness of the Company and its Subsidiaries as of the Effective Time (including an itemized list of each Indebtedness of the Company or its Subsidiaries, as applicable, with a description of the nature of such Indebtedness and the Person to whom such Indebtedness is owed), and (iii) the estimated unpaid Transaction Costs as of the Effective Time (including an itemized list of each Transaction Cost with a description of the nature of such expense and the Person to whom such expense was or is owed).

(b) Within ninety (90) days after the Closing Date (the "True Up Date"), Parent shall deliver to the Stockholders' Representative Parent's determination in good faith of (i) the Working Capital of the Company and its Subsidiaries on a consolidated basis as of the Effective Time, as determined in accordance with GAAP and, to the extent consistent with GAAP, the accounting policies and methods of the Company used in the preparation of the Latest Company Balance Sheet (the "Final Working Capital"), (ii) the Cash on Hand as of the Effective Time, (iii) the Indebtedness of the Company and of its Subsidiaries as of the Effective Time, and (iv) unpaid Transaction Costs (collectively, the "True Up Calculations"). If the Stockholders' Representative accepts the True Up Calculations, or if the Stockholders' Representative fails to give notice to Parent of any objection within thirty (30) days after receipt of the True Up Calculations, the True Up Calculations shall be used for the calculation of the Purchase Price adjustments set forth in Section 2.10(c), Section 2.10(d) and Section 2.10(e) (the "Final Adjustment"). During the thirty (30) day period immediately following Parent's delivery to the Stockholders' Representative of the True Up Calculations, the Stockholders' Representative (and its third party consultants and accountants) shall be permitted to

review Parent's working papers and underlying accounting records reasonably related to the preparation, and reasonably related to the Stockholders' Representative review and confirmation, of the True Up Calculations and Parent's determination of the Final Adjustment. Parent shall reasonably cooperate and provide prompt and reasonable access during normal business hours to the Company's books and records and relevant personnel (including third party consultants and accountants), in each case as reasonably requested by the Stockholders' Representative and its third party consultants and accountants) in connection with the Stockholders' Representative's review and dispute, if any, of the True Up Calculations. If the Stockholders' Representative gives written notice to Parent of an objection to the True Up Calculations within thirty (30) days after receipt of the True Up Calculations (the "Dispute Notice"), Parent and the Stockholders' Representative shall attempt to resolve their differences. If Parent and the Stockholders' Representative are able to resolve their differences, the True Up Calculations, as modified to reflect the resolution of the differences between Parent and the Stockholders' Representative, shall be used for the calculation of the Final Adjustment, as agreed by Parent and the Stockholders' Representative in writing. If Parent and the Stockholders' Representative, however, are unable to resolve their differences, Parent and the Stockholders' Representative shall submit any disputed items to the Dallas, Texas office of PricewaterhouseCoopers LLP (the "Independent Accountant") for a resolution of the dispute. The determination of the Independent Accountant shall be binding on Parent and the Stockholders' Representative, and the True Up Calculations, as modified to reflect (i) those differences, if any, that Parent and the Stockholders' Representative were able to resolve, and (ii) the Independent Accountant's determination with regard to the remaining disputed items, shall be used for the Final Adjustment. The adjustments in this Section 2.10 shall be made without regard to materiality. The Independent Accountant shall only decide the specific items under dispute pursuant to this Section 2.10 by the parties to this Agreement, and its decision for each disputed amount must be within the range of values assigned to each such item in the True Up Statement and the Dispute Notice, respectively. The Stockholders' Representative, for and on behalf of the Common Stockholders and the Preferred Stockholders, shall pay a portion of the fees and expenses of the Independent Accountant equal to the quotient of (x) the difference between the Independent Accountant's determination and the Stockholders' Representative's determination, *divided by* (y) the difference between the Parent's determination and the Stockholders' Representative's determination. Parent shall pay that portion of the fees and expenses of the Independent Accountant that the Stockholders' Representative is not required to pay hereunder.

(c) If the True Up Calculations (as finally determined pursuant to Section 2.10(b)) indicate that the Final Working Capital is:

(i) greater than the sum of (A) the Target Working Capital *plus* (B) the Collar Amount, then the amount by which the Final Working Capital exceeds the sum of (A) the Target Working Capital *plus* (B) the Collar Amount (which shall be a positive number) shall be the "Working Capital Adjustment;"

(ii) less than or equal to the sum of (A) the Target Working Capital *plus* (B) the Collar Amount, and is greater than or equal to the result of (x) the Target Working Capital *minus* (y) the Collar Amount, then the "Working Capital Adjustment" shall be equal to zero; and

(iii) less than (A) the Target Working Capital *minus* (B) the Collar Amount, then (x) the Final Working Capital *minus* (y) (1) the Target Working Capital *minus* (2) the Collar Amount, which shall be a negative number, shall be the "Working Capital Adjustment."

(d) If the True Up Calculations (as finally determined pursuant to Section 2.10(b)) indicate that the Final Price Deduction:

(i) exceeds the Estimated Price Deduction, then the "True Up Price Deduction" shall be equal to the Final Price Deduction *minus* the Estimated Price Deduction, which amount shall be a positive number;

(ii) is equal to the Estimated Price Deduction, then the "True Up Price Deduction" shall be equal to zero; and

(iii) is less than the Estimated Price Deduction, then the "True Up Price Deduction" shall be equal to the Final Price Deduction *minus* the Estimated Price Deduction, which amount shall be a negative number.

(e) The sum of the Working Capital Adjustment and the True Up Price Deduction shall be equal to the Final Adjustment. Once the Final Adjustment has been determined,

(i) if the Final Adjustment is a positive number, then (A) Parent and the Stockholders' Representative shall promptly (and in any event within five (5) Business Days) direct the Escrow Agent in writing to distribute the Adjustment Reserve in immediately available funds either to the Exchange Agent (in the case of holders of Company Capital Stock) or to Parent's or the Surviving Company's, as applicable, payroll administrator (in the case of holders of Company Options and participants in the Transaction Bonus Pool), for further distribution to the Holders in accordance with their Pro Rata Shares and subject to prior compliance with the requirements, conditions and procedures set forth in Section 2.9 and (B) Parent shall promptly deliver an amount in immediately available funds equal to the amount of the Final Adjustment, either to the Exchange Agent (in the case of holders of Company Capital Stock) or to Parent's or the Surviving Company's, as applicable, payroll administrator (in the case of holders of Company Options and participants in the Transaction Bonus Pool), for further distribution to the Holders in accordance with their Pro Rata Shares and subject to prior compliance with the requirements, conditions and procedures set forth in Section 2.9;

(ii) if the Final Adjustment is equal to zero, then (A) Parent and the Stockholders' Representative shall promptly (and in any event within five (5) Business Days) direct the Escrow Agent in writing to distribute the Adjustment Reserve in immediately available funds either to the Exchange Agent (in the case of holders of Company Capital Stock) or to Parent's or the Surviving Company's, as applicable, payroll administrator (in the case of holders of Company Options and participants in the Transaction Bonus Pool), for further distribution to the Holders in accordance with their Pro Rata Shares and subject to prior compliance with the requirements, conditions and procedures set forth in Section 2.9;

(iii) if the Final Adjustment is a negative number, then Parent and the Stockholders' Representative shall promptly (and in any event within five (5) Business Days) direct the Escrow Agent in writing to distribute (A) to Parent, from the Adjustment Reserve, an amount in immediately available funds equal to the absolute value of the Final Adjustment (for purposes of clarification if the Final Adjustment is negative $400,000, the distribution to Parent from the Adjustment Reserve shall equal $400,000), and, (B) if the amount of such distribution is (1) less than the remaining amounts held in the Adjustment Reserve prior to such distribution, the remaining portion of the Adjustment Reserve in immediately available funds either to the Exchange Agent (in the case of holders of Company Capital Stock) or to Parent's or the Surviving Company's, as applicable, payroll administrator (in the case of holders of Company Options and participants in the Transaction Bonus Pool), for further distribution to the Holders in accordance with their Pro Rata Shares and subject to prior compliance with the requirements, conditions and procedures set forth in Section 2.9, or (2) equal to or greater than the remaining amounts held in the Adjustment Reserve prior to such distribution, then Parent and the Stockholders' Representative shall promptly (and in any event within five (5) Business Days) direct the Escrow Agent in writing to distribute to Parent, from the Adjustment Reserve, an amount in immediately available funds equal to the amounts remaining in the Adjustment Reserve, and each of the Holders shall pay Parent such Holder's Pro Rata Share of an amount in immediately available funds equal to (1) the absolute value of the Final Adjustment, minus (2) the amounts distributed to Parent from the Adjustment Reserve pursuant to this sentence; provided, however, at Parent's written election, which shall be in Parent's sole discretion, the Stockholders' Representative shall promptly direct the Escrow Agent in writing, jointly with Parent, to distribute, from the Indemnification Escrow Account, an amount equal to (x) the absolute value of the Final Adjustment *minus* (y) amounts distributed from the Adjustment Reserve *minus* (z) the amounts paid by Holders to Parent pursuant to this sentence; provided, further, that in the event any Holder does not make a payment of its Pro Rata Share of a payment to Parent in circumstances where Parent has collected such a payment from other Holders, Parent shall only be entitled to a distribution of funds from the Indemnification Escrow Account when such amounts would otherwise be distributed to such non-paying Holder(s) (and only from the amounts that would be distributed to such non-paying Holder(s)) upon the distribution of the Indemnification Escrow Account.

2.11 Certain Adjustments. If, during the Interim Period (and as permitted by Section 5.2), the outstanding shares of Company Capital Stock or Parent Common Stock shall have been changed into a different number of shares or a different class of shares by reason of any stock dividend, subdivision, reorganization, reclassification, recapitalization, stock split, reverse stock split, combination or exchange of shares, or any similar event shall have occurred, then the Per Share Common Stock Merger Consideration, the Per Share Preferred Stock Merger Consideration and the Per Option Merger Consideration shall be equitably adjusted, without duplication, to proportionally reflect such change; provided that nothing in this Section 2.11 shall be construed to permit the Company or Parent to take any action with respect to its securities that is prohibited by the terms of this Agreement.

2.12 Maximum Obligation. Notwithstanding any provision in this Agreement to the contrary, the maximum aggregate consideration payable by Parent pursuant to this Agreement shall

in no event exceed the Estimated Purchase Price, as adjusted, if applicable, pursuant to Section 2.10, plus cash in lieu of fractional shares pursuant to Section 2.9(b)(viii).

Article III

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as disclosed in the disclosure schedules delivered by the Company to Parent immediately prior to the execution of this Agreement (the "Company Disclosure Letter"), the Company represents and warrants to Parent and Merger Sub as follows:

3.1 Organization, Standing and Power.

(a) Each of the Company and its Subsidiaries (i) is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization, except where the failure to maintain good standing would not reasonably be expected to have a Company Material Adverse Effect, (ii) has all requisite corporate or similar power and authority to own, lease and operate its properties and to carry on its business as now being conducted and (iii) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties makes such qualification or licensing necessary, except in such jurisdictions where the failure to be so duly qualified or licensed and in good standing would not reasonably be expected to have a Company Material Adverse Effect.

(b) The Company has previously delivered or made available to Parent true and complete copies of the Company's and each of its Subsidiaries' Organizational Documents, in each case as amended to the date of this Agreement, and each as so delivered is in full force and effect. Neither the Company nor any of its Subsidiaries is in violation of any provision of the Organizational Documents of the Company or any of its Subsidiaries. The Company has made available to Parent true and complete copies of the minutes of all meetings of the equityholders of the Company and each of its Subsidiaries, the Company's and each of its Subsidiaries' board of directors or managers and each committee thereof held since January 1, 2013, except that any minutes of meetings to the extent related to other bidders in connection with any potential sale of the Company or any of its Subsidiaries or any of their material assets or to the extent otherwise related to deliberations by the board of directors or managers of the Company or any of its Subsidiaries with respect to such potential sale.

3.2 Capital Stock.

(a) The authorized capital stock of the Company consists of 19,000,000 shares of common stock, par value $0.001 per share ("Common Stock") and 14,100,000 shares of preferred stock, par value $0.001 per share ("Preferred Stock"). As of the date hereof, (i) 2,421,862 shares of Common Stock were issued and outstanding, and no shares of Common Stock were held by the Company in its treasury, (ii) 12, 832,262 shares of Preferred Stock were issued and outstanding, and no shares of Preferred Stock were held by the Company in its treasury, and (iii) 1,400,000 shares

of Common Stock were reserved for issuance pursuant to Benefit Plans (of which 1,302,154 shares of Common Stock were subject to Options or other Company Stock Awards (as defined below)). All the outstanding shares of capital stock of the Company are, and all shares reserved for issuance as noted in clause (iii) above will be, when issued in accordance with the terms thereof, duly authorized, validly issued, fully paid and nonassessable and not subject to any preemptive rights. Neither the Company nor any of its Subsidiaries has outstanding any bonds, debentures, notes or other obligations having the right to vote (or convertible into, or exchangeable or exercisable for, securities having the right to vote) with the stockholders of the Company or such Subsidiary on any matter. Except as set forth in this Section 3.2(a) or Sections 3.2(a) or 3.2(c) of the Company Disclosure Letter, there are no outstanding (A) shares of capital stock or other securities or equity interests of the Company or any of its Subsidiaries, (B) securities of the Company or any of its Subsidiaries convertible into or exchangeable or exercisable for shares of capital stock of the Company or any of its Subsidiaries or other securities or equity interests of the Company or any of its Subsidiaries, (C) stock appreciation rights, "phantom" stock rights, performance units, interests in or rights to the ownership or earnings of the Company or any of its Subsidiaries or other equity equivalent or equity-based award or right, (D) subscriptions, options, warrants, calls, commitments, Contracts or other rights to acquire from the Company or any of its Subsidiaries, or obligations of the Company or any of its Subsidiaries to issue, any shares of capital stock of the Company or any of its Subsidiaries, securities, equity interests or securities convertible into or exchangeable or exercisable for capital stock or other securities or equity interests of the Company or any of its Subsidiaries or rights or interests described in clause (C), or (E) obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any such securities or to issue, grant, deliver or sell, or cause to be issued, granted, delivered or sold, any such securities.

(b) All the outstanding shares of capital stock or other securities or equity interests of each Subsidiary of the Company have been duly authorized and validly issued, are fully paid, nonassessable and not subject to any preemptive rights. All of the shares of capital stock or other securities or equity interests of each such Subsidiary are owned, directly or indirectly, by the Company, free and clear of all Liens. Other than as expressly contemplated hereby or as set forth in Section 3.2(b) of the Company Disclosure Letter, there are no stockholder agreements, voting trusts or other agreements or understandings to which the Company or any of its Subsidiaries is a party or on file with the Company with respect to the holding, voting, registration, redemption, repurchase or disposition of, or that restricts the transfer of, any capital stock or other equity interest of the Company or any of its Subsidiaries (except for the withholding of shares in connection with Taxes payable in respect of the exercise of Options).

(c) Section 3.2(c) of the Company Disclosure Letter sets forth a true and complete list of all holders, as of the date hereof, of outstanding Options or other rights to purchase or receive shares of Common Stock or Preferred Stock or other securities and all other similar rights granted under Benefit Plans or otherwise (collectively, "Company Stock Awards"), indicating as applicable, with respect to each Company Stock Award then outstanding, the type of award granted, the number of shares of Common Stock or Preferred Stock or other similar rights or interests subject to such Company Stock Award, the name of the Benefit Plan under which such Company Stock Award was granted, the date of grant, exercise or purchase price, vesting schedule, payment schedule (if

different from the vesting schedule) and expiration thereof, and whether (and to what extent) the vesting of such Company Stock Award will be accelerated or otherwise adjusted in any way, in connection with or by the consummation of the transactions contemplated by this Agreement. Except as the result of Section 422(d) of the Code, each Option intended to qualify as an "incentive stock option" under Section 422 of the Code so qualifies, and the exercise price of each other Option is no less than the fair market value of a share of Common Stock as determined on the date of grant of such Option, and no Option is subject to the Tax under Section 409A of the Code. No Options that are outstanding have been granted other than pursuant to the Benefit Plans. The Company has made available to Parent true and complete copies of the forms of all stock option agreements evidencing outstanding Company Stock Awards.

3.3 Subsidiaries. Section 3.3 of the Company Disclosure Letter sets forth a true and complete list of each Subsidiary of the Company, including its jurisdiction of incorporation or formation. Except for the capital stock of, or other equity or interests in, its Subsidiaries, and except as set forth in Section 3.3 of the Company Disclosure Letter, the Company does not own, directly or indirectly, any equity, membership interest, partnership interest, joint venture interest, or other equity or interest in, or any interest convertible into, exercisable or exchangeable for any of the foregoing, nor is it under any current or prospective obligation to form or participate in, provide funds to, make any loan, capital contribution, guarantee, credit enhancement or other investment in, or assume any liability or obligation of, any Person.

3.4 Authority.

(a) The Company has all necessary corporate power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company, and no other corporate proceedings on the part of the Company are necessary to approve this Agreement or to consummate the transactions contemplated hereby, subject, in the case of the consummation of the Merger and to the extent required by applicable Laws, to the adoption and approval of this Agreement by (i) the holders of at least a majority in combined voting power of the outstanding shares of Common Stock and Preferred Stock, voting together as a single class, and (ii) the holders of at least eighty percent (80%) of the combined voting power of the outstanding shares of Preferred Stock, voting as a single class (the "Company Stockholder Approval"). This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by Parent and Merger Sub, constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms (except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity, and further limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies).

(b) The Company's board of directors, at a meeting duly called and held and at which a quorum was present, having carefully considered the following, duly adopted resolutions for

which all members of the Company's board of directors voted in favor of (i) determining that the terms of this Agreement, the Merger and the other transactions contemplated hereby are fair to and in the best interests of the Company and its Stockholders, (ii) approving and declaring advisable this Agreement and the transactions contemplated hereby, including the Merger, (iii) directing that this Agreement be submitted to the stockholders of the Company for adoption and (iv) recommending that the Stockholders vote in favor of the adoption of this Agreement and the transactions contemplated hereby, including the Merger. The Company is providing to Parent concurrently herewith, or has made available to Parent, true and complete copies of the resolutions described herein.

(c) The Company Stockholder Approval is the only vote of the holders of any class or series of the Company's capital stock or other securities required in connection with the consummation of the Merger. No vote of the holders of any other class or series of the Company's capital stock or other securities is required in connection with the consummation of any of the transactions contemplated hereby to be consummated by the Company other than the Merger.

(d) The Company and its Subsidiaries have the authority to consummate the Merger and the other transactions contemplated in this Agreement and are not subject to a right of first offer, right of first refusal, right to match or right of notice to invest in the Company or acquire the assets or securities of the Company.

3.5 No Conflict; Consents and Approvals.

(a) The execution, delivery and performance of this Agreement by the Company does not, and (assuming that all filings and obligations described in Section 3.5(a) of the Company Disclosure Letter have been made) the consummation of the Merger and compliance by the Company with the provisions hereof will not (i) conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, cancellation, modification or acceleration of any obligation or to the loss of a benefit under, or result in the creation of any Lien in or upon any of the properties, assets or rights of the Company or any of its Subsidiaries under, or give rise to any increased, additional, accelerated or guaranteed rights or entitlements, under, or require any consent, waiver or approval of any Person pursuant to, any provision of (A) the Organizational Documents (or similar documents) of the Company or of any Subsidiary of the Company, (B) any bond, debenture, note, mortgage, indenture, guarantee, license, right to use, lease, purchase or sale order or other contract, agreement or other obligation binding on the Company or any of its Subsidiaries or any of their respective assets, whether oral or written, or to which the Company or any of its Subsidiaries is a party, or by which the Company or any of its Subsidiaries or any of their respective properties or assets may be bound, or pursuant to which any of the Company or any of its Subsidiaries derive any right to use any property or asset (each, including all amendments thereto, and as applicable the Company or any of its Subsidiaries and the Parent or any of its Subsidiaries, as the context requires, a "Contract"), or (C) subject to the governmental filings and other matters referred to in Section 3.5(b), any federal, state, local or foreign laws (including, without limitation, common law, FDA Laws, and Foreign Device Laws), Orders, statutes, ordinances, rules, codes, regulations, judgments, injunctions, decrees or

other legally enforceable requirements (collectively, "Laws") applicable to the Company or any of its Subsidiaries or by which the Company or any of its Subsidiaries or any of their respective properties or assets may be bound; or (ii) adversely affect the use (or result in any loss of any right to use) by the Surviving Company and its Subsidiaries from and after the Effective Time of those properties, assets and rights that have been used or are held for or available for use by the Company and its Subsidiaries in connection with the ownership, operation and management of their respective businesses prior to the Effective Time.

(b) No consent, approval, order or authorization of, or registration, declaration, filing with or notice to, any Governmental Authority or self-regulatory authority (or subdivision of either of the foregoing), is required by or with respect to the Company or any of its Subsidiaries in connection with the execution, delivery and performance of this Agreement by the Company or the consummation by the Company of the Merger or compliance with the provisions hereof, except for (i) the filing of the Certificate of Merger with the Delaware Secretary of State, as required by the DGCL, and (ii) post-Closing notification to the FDA of the change in ownership of the Company.

3.6 Financial Statements.

(a) On or prior to the date hereof, the Company has provided Parent with true, correct and complete copies of the consolidated, audited annual financial statements for the Company and its Subsidiaries as of 2013 and 2014 and for the respective fiscal years then ended (collectively, the "Company Annual Financial Statements") and the unaudited, consolidated financial statements for the Company and its Subsidiaries as of and for the three and nine months ended September 30, 2015 and for the corresponding prior year periods (collectively, the "Company Interim Financial Statements" and, together with the Company Annual Financial Statements, the "Company Financial Statements"). The Company Financial Statements (including the related notes thereto) (i) have been prepared in all material respects in accordance with GAAP (except as may be indicated in the notes thereto and, in the case of unaudited statements, subject to normal and recurring year-end audit adjustments and the inclusion at such time of any applicable notes) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto), (ii) comply as to form in all material respects with applicable accounting requirements with respect thereto and (iii) fairly present in all material respects the consolidated financial position of the Company and its Subsidiaries as of the dates thereof and their respective consolidated results of operations and cash flows for the periods then ended (except as may be indicated in the notes thereto and subject, in the case of unaudited statements, to normal and recurring year-end audit adjustments that were not, or are not expected to be, material in amount), all in accordance with GAAP. Since the date of the Latest Company Balance Sheet, the Company has not made any change in the accounting practices or policies applied in the preparation of its financial statements, except as required by GAAP or applicable Law. The books and records of the Company and each of its Subsidiaries have been, and are being, maintained in all material respects in accordance with GAAP (to the extent applicable) and any other applicable legal and accounting requirements and reflect only actual transactions.

(b) Since January 1, 2012, (i) neither the Company nor any of its Subsidiaries nor, to the Knowledge of the Company, any director, officer, employee, auditor, accountant or

representative of the Company or any of its Subsidiaries has received or otherwise had or obtained knowledge of any complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of the Company or any of its Subsidiaries or their respective internal accounting controls, including any complaint, allegation, assertion or claim that the Company or any of its Subsidiaries has engaged in questionable accounting or auditing practices, and (ii) no attorney representing the Company or any of its Subsidiaries, whether or not employed by the Company or any of its Subsidiaries, has reported evidence of a violation of securities Laws, breach of fiduciary duty or similar violation by the Company or any of its Subsidiaries or any of their respective officers, directors, employees or agents to the Company's board of directors or any committee thereof or to any director or officer of the Company or any of its Subsidiaries.

(c) Except as set forth in Section 3.6(c) of the Company Disclosure Letter, neither the Company nor any of its Subsidiaries is a party to, or has any commitment to become a party to, any joint venture, off balance sheet partnership or any similar Contract (including any Contract or arrangement relating to any transaction or relationship between or among the Company and any of its Subsidiaries, on the one hand, and any unconsolidated Affiliate, including, without limitation, any structured finance, special purpose or limited purpose entity or Person, on the other hand), or any "off balance sheet arrangements" (as defined by Item 303 of Regulation S-K) that, individually or in the aggregate, exceeds $50,000.

(d) The Company's internal controls and procedures are sufficient to provide reasonable assurance that the Company Financial Statements are accurate in all material respects. All accounts, books and ledgers related to the business of the Company are properly kept, and are accurate and complete in all material respects. Except as set forth in Section 3.6(d) of the Company Disclosure Letter, at no time during the periods covered by the Company Financial Statements or subsequent thereto are or were there (i) to the Knowledge of the Company, any significant deficiencies or material weaknesses in the design or operation of the Company's internal control over financial reporting, or (ii) any fraud, whether or not material, that involves or involved management or other employees having a significant role in the Company's internal control over financial reporting.

3.7 No Undisclosed Liabilities. Except to the extent disclosed in the Company Financial Statements, neither the Company nor any of its Subsidiaries has any liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, known or unknown, whether due, or to become due that are required to be recorded or reflected on a balance sheet under GAAP, except for (i) the Transaction Costs (including such costs paid prior to the Effective Time), (ii) executory obligations under this Agreement or in connection with the transactions contemplated hereby, (iii) Indebtedness of the Company and each of its Subsidiaries (other than intercompany Indebtedness owing between or among the Company and its Subsidiaries) as of the date of this Agreement, in an amount in excess of $50,000, as set forth on Section 3.7 of the Company Disclosure Letter, and (iv) liabilities and obligations incurred in the ordinary course of business consistent with past practice.

Information Statements. None of the information supplied or to be supplied by or on behalf of the Company specifically for inclusion in (a) the information statement and consent solicitation statement in connection with the Merger and (b) the information statement provided pursuant to Section 280G of the Code as it relates to payments by the Company (together, the "Information Statements") contain or, to the extent supplied after the date hereof, will, at the time they are first published, sent or given to the Stockholders, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading. Notwithstanding the foregoing, the Company makes no representation or warranty with respect to statements included or incorporated by reference in the Information Statements or any other similar document provided to Holders in connection with the transactions contemplated hereby based on information supplied or to be supplied by or on behalf of Parent or Merger Sub specifically for inclusion in the Information Statements.

3.9 Absence of Certain Changes or Events. Except as and to the extent disclosed in the Company Financial Statements and as set forth in Section 3.9 of the Company Disclosure Letter, from the date of the Latest Company Balance Sheet and through the date of this Agreement: (a) the Company and its Subsidiaries have conducted their respective businesses only in the ordinary course consistent with past practice; (b) there has not been any change, event or development or prospective change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect; (c) neither the Company nor any of its Subsidiaries has suffered any loss, damage, destruction or other casualty affecting any of its material properties or material assets, whether or not covered by insurance; and (d) none of the Company or any of its Subsidiaries has taken any action since the date of the Latest Company Balance Sheet that, if taken after the date of this Agreement, would constitute a breach of any of the covenants set forth in Section 5.2.

3.10 Litigation. Except as set forth on Section 3.10 of the Company Disclosure Letter, (a) there is no Litigation pending against or affecting the Company or any of its Subsidiaries, any of their respective properties or assets, (b) to the Knowledge of the Company, there is no reasonable basis for any Litigation against or affecting the Company or any of its Subsidiaries, any of their respective properties or assets, and (c) to the Knowledge of the Company, there is no Litigation threatened against or affecting the Company or any of its Subsidiaries, any of their respective properties or assets. To the Knowledge of the Company, there is no filed Litigation against any present or former officer, director or employee of the Company or any of its Subsidiaries in such individual's capacity as such. Neither the Company nor any of its Subsidiaries nor any of their respective properties or assets is subject to any outstanding judgment, order, injunction, rule or decree of any Governmental Authority. There is no pending, or overtly threatened, Litigation, that in any case would reasonably be expected to (i) prohibit, prevent, make illegal, delay or otherwise interfere with the consummation of any of the transactions contemplated by this Agreement or any of the ancillary agreements, (ii) cause any of the transactions contemplated by this Agreement or any of the ancillary agreements to be rescinded following consummation, (iii) affect adversely the right of Parent to control the Surviving Company and the Subsidiaries of the Company, or (iv) affect

materially and adversely the right of Parent or any of its Subsidiaries to own their respective assets and to operate their respective businesses.

3.11 Compliance with Laws and Permits.

(a) The Company and each of its Subsidiaries have in effect all permits, licenses, variances, exemptions, authorizations, operating certificates, franchises, orders, approvals and similar authorizations (collectively, "Permits") of all Governmental Authorities necessary for them to own, lease or operate their properties and assets and to carry on their businesses and operations as now conducted, except where the failure to maintain in effect such Permits would not reasonably be expected to have a Company Material Adverse Effect, and no suspension, cancellation or other lapse of any such Permit is pending by or at the behest of any Governmental Authority or other Person, or to the Knowledge of the Company, threatened. All of such Permits shall remain in full force and effect immediately after giving effect to the Merger, except where the failure to maintain such Permits in full force and effect would not reasonably be expected to have a Company Material Adverse Effect. Since January 1, 2012, neither the Company nor any of its Subsidiaries has been in violation of (i) any Permits or (ii) any applicable Law in any material respect not explicitly covered in Section 3.11(b) through Section 3.11(g), Section 3.12, Section 3.13, Section 3.14 or Section 3.15, including, without limitation, the ACA and any consumer protection, equal opportunity, customs, patient confidentiality, health care industry regulation and third-party reimbursement laws, including under any federal or state health care program, including but not limited to, any Federal Health Care Program as defined in Section 1128B(f) of the U.S. Federal Social Security Act (together with all regulations promulgated thereunder, the "SSA"), and any similar Laws of any other jurisdiction. Since January 1, 2012, none of the Company or any of its Subsidiaries has received a notice or other written communication alleging or relating to a possible violation of any Laws applicable to their businesses, operations, properties or assets or from a Governmental Authority seeking to investigate any such possible violation. To the Knowledge of the Company, it is not subject to any continuing material liabilities, obligations or other consequences relating to any noncompliance by the Company or any of its Subsidiaries with any Laws.

(b) Neither the Company nor any of its Subsidiaries is subject to any consent decree from any Governmental Authority or any Order. Neither the Company nor any of its Subsidiaries has received any warning letter from the FDA or equivalent action from any comparable non-U.S. Governmental Authority since January 1, 2012. Neither the Company nor any of its Subsidiaries has received any communication from any regulatory agency or been notified since January 1, 2012 that any product approval is withdrawn or modified or that such an action is under consideration. Without limiting the foregoing, the Company and each of its Subsidiaries is in compliance, in all material respects, with all current applicable statutes, rules and regulations administered or issued by the FDA ("FDA Laws") or comparable foreign Governmental Authority ("Foreign Device Laws") including FDA's Quality System Regulation, 21 C.F.R. Part 820 and Medical Device Reporting, Part 803. To the Knowledge of the Company, there are no facts which furnish any reasonable basis for any Form FDA-483 observations, warning letters or Section 305 notices from the FDA or similar communications from a comparable foreign Governmental Authority. Since January 1, 2012, there have been no recalls, detentions, withdrawals, seizures, or termination or suspension of

manufacturing requested or threatened relating to the Company's or its Subsidiaries' products, and no field notifications, field corrections or alerts per 21 C.F.R. Part 806.

(c) The Company's and each of its Subsidiaries' products, where required, are being marketed in all material respects under valid pre market notifications under Section 510(k) of the Federal Food, Drug and Cosmetic Act, 21 U.S.C. § 360(k), and 21 C.F.R. Part 807, Subpart E ("510(k)s") or pre-market approval applications approved by the FDA in accordance with 21 U.S.C. § 360(e) and 21 C.F.R. Part 814 ("PMAs"). All 510(k)s and PMAs for the Company's and its Subsidiaries' products are exclusively owned by the Company or one of its Subsidiaries, and to the Knowledge of the Company, the FDA is not considering limiting, suspending, or revoking any such 510(k)s or PMAs or changing the marketing classification or labeling of any such products. To the Knowledge of the Company, there is no false information or significant omission in any product application or product-related submission to the FDA or comparable foreign Governmental Authority. The Company and each of its Subsidiaries have obtained all necessary regulatory approvals from any foreign regulatory agencies related to the products distributed and sold by the Company or any of its Subsidiaries, and neither the Company nor any of its Subsidiaries has received any notice that any Governmental Authority seeks any additional conditions on the distribution or sale of products in a jurisdiction covered by a regulatory approval. To the Knowledge of the Company, any third party that is a manufacturer, contractor, or agent for the Company or any of its Subsidiaries is in compliance with all Permits and regulatory approvals from the FDA or comparable Governmental Authority insofar as they pertain to the manufacture of product components, inputs or products for the Company or any of its Subsidiaries. The Company, its Subsidiaries and/or the distributors on behalf of the Company or its Subsidiaries, as applicable, have obtained and currently maintain all required registrations from each applicable medicinal or public health Governmental Authority having jurisdiction over any geographic area in which the Company, its Subsidiaries or the distributors currently sells the products of the Company or its Subsidiaries, as applicable, including, without limitation, Brazil, Taiwan, South Korea, Japan, Australia, China and Mexico, and the Company and its Subsidiaries, as applicable, own such registrations for Japan (Shonin) and for China (from CFDA).

(d) Neither the Company nor any Subsidiary, nor the officers, directors, managing employees or agents (as those terms are defined in 42 C.F.R. § 1001.1001) of the Company or any Subsidiary: (i) have engaged in any activities which are material violations of, or are cause for civil penalties or mandatory or permissive exclusion under, any federal or state health care Law or any non-U.S. Law of comparable scope, including but not limited to any Federal Health Care Program under Sections 1128, 1128A, 1128B, 1128C, or 1877 of SSA, the federal TRICARE statute (10 U.S.C. § 1071 *et seq.*), the False Claims Act of 1863 (31 U.S.C. § 3729 *et seq.*), the False Statements Accountability Act (18 U.S.C. § 1001), the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. § 3801 *et seq.*), 18 U.S.C. § 287, the anti-fraud and related provisions of the Health Insurance Portability and Accountability Act of 1996 (*e.g.*, 18 U.S.C. §§ 1035 and 1347), or related federal, state or local statutes, or any non-U.S. Law of comparable scope, including, without limitation, knowingly and willfully offering, paying, soliciting or receiving any remuneration (interpreted broadly to include anything of value), directly or indirectly, overtly or covertly, in cash or in kind in return for, or to induce, the purchase, lease, or order, or the arranging for or recommending of the

purchase, lease or order, of any item or service for which payment may be made in whole or in part under any such program; (ii) have had a civil monetary penalty assessed against them under Section 1128A of SSA; (iii) have been excluded from participation or debarred under any federal or state health care program (including any Federal Health Care Program), or any comparable non-U.S. program; (iv) have been convicted (as defined in 42 C.F.R. § 1001.2) of any of the categories of offenses described in Sections 1128(a) or 1128(b)(1), (b)(2), or (b)(3) of SSA or any non-U.S. Law of comparable scope; or (v) have failed to comply in any material respect with any state Laws regarding disclosure of physician payments (commonly known as Sunshine Laws, which, for illustration purposes only, but without limiting the scope of this provision, are similar in subject matter to Section 1128G of the SSA).

(e) Neither the Company nor any of its Subsidiaries, nor any director, manager or employee thereof, has in the last five years, in connection with the business of the Company and its Subsidiaries, nor, to the Knowledge of the Company, any of its or its Subsidiaries' agents, representatives, sales intermediaries, or any other third party, in each case, acting on behalf of the Company or any Subsidiary thereof, taken any action in violation of applicable Bribery Laws. Neither the Company nor any of its Subsidiaries, nor any director, manager or employee thereof, is, or in the past five years has been, subject to any actual, pending, or threatened civil, criminal, or administrative actions, suits, demands, claims, hearings, notices of violation, investigations, proceedings, demand letters, settlements, or enforcement actions, nor have any of the foregoing made any voluntary disclosures to any Governmental Authority, involving the Company or any Subsidiary thereof in any way relating to applicable Bribery Laws.

(f) The Company and each of its Subsidiaries have conducted their export transactions in accordance in all material respects with applicable provisions of (i) U.S. export Laws (including the International Traffic in Arms regulations, the Export Administration Regulations and the regulations administered by the Department of Treasury, Office of Foreign Assets Control ("OFAC")), and (ii) other export Laws of the countries where it conducts business, and neither the Company nor any of its Subsidiaries has received any notices of noncompliance, complaints or warnings with respect to its compliance with export Laws. Without limiting the foregoing:

(i) the Company and each of its Subsidiaries have obtained all material export licenses and other approvals required for their exports of products and technologies from the U.S. and other countries where it conducts business, in each case for the operations of the business as it is presently conducted;

(ii) the Company and each of its Subsidiaries are in compliance in all material respects with the terms of such applicable export licenses or other approvals;

(iii) there are no pending or, to the Knowledge of the Company, threatened claims against the Company or any of its Subsidiaries with respect to such export licenses or other approvals; and

(iv) the Company and each of its Subsidiaries have in place adequate controls and systems to ensure compliance in all material respects with applicable Laws pertaining to import

and export control in each of the jurisdictions in which the Company or any of its Subsidiaries currently does business.

(g) Neither the Company nor any of its Subsidiaries, employees or management appears on the Specially Designated Nationals and Blocked Persons List published by OFAC, or, to the Knowledge of the Company, is otherwise a person with which any U.S. Person is prohibited from dealing under the laws of the United States. Neither the Company nor any of its Subsidiaries does business or conducts any transactions with the governments of, or persons within, any country that is subject to economic sanctions administered and enforced by OFAC.

3.12 Benefit Plans.

(a) The Company and each of its Subsidiaries have provided to Parent a true and complete list of each "employee benefit plan" (within the meaning of section 3(3) of ERISA) and each other stock purchase, stock option, severance, savings, retirement, employment (other than unwritten "at will" employment arrangements), change-in-control, bonus, incentive, deferred compensation and all other material employee benefit plans, agreements, programs, policies or other arrangements, whether or not subject to ERISA (including any funding mechanism therefor now in effect), whether formal or informal, written or not, that (1) is currently in effect and that is sponsored, maintained or contributed to (or required to be contributed to) by the Company or its Subsidiaries, for the benefit of (i) directors or employees of the Company or its Subsidiaries or any other persons performing services for the Company or its Subsidiaries, (ii) former directors or employees of the Company or its Subsidiaries or any other persons formerly performing services for the Company or its Subsidiaries, or (iii) beneficiaries of anyone described in (i) or (ii) or (2) pursuant to which the Company or any of its Subsidiaries has or may have any liability (whether fixed or contingent) (all such agreements, policies, plans, programs and arrangements described in (1) and (2), collectively, the "Benefit Plans"). With respect to each Benefit Plan, the Company has furnished or made available to Parent a current, accurate and complete copy thereof (and an accurate written description of any unwritten Benefit Plan) and, to the extent applicable: (A) any related trust agreement or other funding instrument, (B) the most recent determination letter from the IRS, if applicable, (C) any summary plan descriptions, along with a summary of material modifications to any such descriptions, if any, employee handbooks and other material written communications by the Company or any of its Subsidiaries to their respective employees concerning the extent of the benefits provided under a Benefit Plan, (D) each group health plan Summary of Benefits and Coverage for the three (3) most recent years, and (E) for the three (3) most recent years (x) Form 5500 and attached schedules, (y) audited financial statements, and (z) actuarial valuation reports.

(b) Each Benefit Plan intended to be qualified under Section 401(a) of the Code has received a favorable determination, advisory and/or opinion letter, as applicable, from the IRS that it is so qualified, and, to the Knowledge of the Company, nothing has occurred since the date of such letter that would reasonably be expected to cause the loss of such qualified status of such Benefit Plan or cause the imposition of any penalty or unintended Tax liability with respect to such Benefit Plan.

(c) Neither the Company nor any of its Subsidiaries is liable for, or has any liability of any kind (whether fixed or contingent) with regard to any Benefit Plan maintained, sponsored or contributed to by an ERISA Affiliate, including predecessors thereof, (if a like definition of Benefit Plan were applicable to the ERISA Affiliate in the same manner as it applies to the Company and its Subsidiaries) (each such Benefit Plan for an ERISA Affiliate being an "ERISA Affiliate Plan"), including, without limitation, with respect to the following: (i) withdrawal liability arising under Title IV, Subtitle E, Part 1 of ERISA; (ii) liabilities to the Pension Benefit Guaranty Corporation ("PBGC"); (iii) liabilities under Section 412 of the Code or Section 302(a)(2) of ERISA; (iv) liabilities resulting from the failure on the part of the Company, or any ERISA Affiliate, or any Benefit Plan "sponsor" or "administrator" (within the meaning of Section 3(16) of ERISA) to comply in all respects with the applicable requirements of Section 4980B of the Code and Section 601 et seq. of ERISA; or (v) liabilities resulting from an ERISA Affiliate Plan's failure to satisfy the reporting and disclosure requirements of ERISA and the Code.

(d) Neither the Company, nor any of its Subsidiaries nor any ERISA Affiliate has any obligation to contribute to or provide benefits pursuant to, or has any other liability of any kind (whether fixed or contingent) with respect to, any multiemployer plan (as defined in Section 3(37) of ERISA).

(e) With respect to the Benefit Plans:

(i) each Benefit Plan has been established and administered in accordance with its terms and in compliance with the applicable provisions of ERISA, the ACA and the Code,

(ii) no reportable event, as defined in Section 4043 of ERISA, no prohibited transaction, as described in Section 406 of ERISA or Section 4975 of the Code, or accumulated funding deficiency, as defined in Section 302 of ERISA and 412 of the Code, has occurred with respect to any Benefit Plan,

(iii) all contributions required to be made by the Company and its ERISA Affiliates under the terms of any Benefit Plan have been timely made;

(iv) there is no Litigation (including any investigation, audit or other administrative proceeding) by the Department of Labor, the PBGC, the IRS or any other Governmental Authority or by any plan participant or beneficiary pending, threatened in writing, or relating to the Benefit Plans, any fiduciaries thereof with respect to their duties to the Benefit Plans, or the assets of any of the trusts under any of the Benefit Plans (other than routine claims for benefits) nor, to the Knowledge of the Company, are there facts or circumstances that exist that would reasonably be expected to give rise to any such Actions; and

(v) if a Benefit Plan purports to be a voluntary employees' beneficiary association, a request for a determination letter with respect to such association has been submitted to and approved by the IRS that such association is exempt from federal income tax under Section 501(c)(9) of the Code, and nothing has occurred or is expected to occur that caused or could cause

the loss of such qualification or exemption or the imposition of any tax, interest or penalty with respect thereto.

(f) Except as set forth on Section 3.12(f) of the Company Disclosure Letter, neither the Company, nor any of its Subsidiaries nor any ERISA Affiliate has any obligation to contribute to or provide benefits pursuant to, and has no other liability of any kind with respect to, (i) a "multiple employer welfare arrangement" (within the meaning of Section 3(40) of ERISA), or (ii) a "plan maintained by more than one employer" (within the meaning of Section 413(c) of the Code).

(g) Except as set forth on Section 3.12(g) of the Company Disclosure Letter, none of the Benefit Plans provide for payment of a benefit, the increase of a benefit amount, the payment of a contingent benefit or the acceleration of the payment or vesting of a benefit determined or occasioned, in whole or in part, by reason of the execution of this Agreement or the consummation of the transactions contemplated hereby. Except as set forth on Section 3.12(g) of the Company Disclosure Letter, no amount or benefit that could be received by any "disqualified individual" (as defined in Treasury Regulation Section 1.280G-1) with respect to the Company or any Subsidiary in connection with the transactions contemplated by this Agreement (alone or in combination with any other event, and whether pursuant to a Benefit Plan or otherwise) could be characterized as an "excess parachute payment" (as defined in Section 280G(b)(1) of the Code). No Benefit Plan provides for post-employment medical or life insurance benefits with respect to Company Employees or their dependents or beneficiaries except to the extent required by Section 4980B of the Code or applicable state Law.

(h) Each Benefit Plan that is a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code has complied in form and operation with the requirements of Section 409A of the Code. No employee or director of or independent contractor to the Company or its Subsidiaries is entitled to any gross-up, make-whole or other similar additional payment from the Company or any of its Subsidiaries in respect of any Tax (including federal, state, local or foreign income, excise or other Taxes (including Taxes imposed under Section 409A and 4999 of the Code)) or interest or penalty related thereto.

(i) Each of the Company and its Subsidiaries, and each of their respective ERISA Affiliates, have complied in all respects with the employer shared responsibility mandate (the "ACA employer mandate") under Code Section 4980H for each year in which it has been an "applicable large employer" or an "applicable large employer member" (within the meaning of Code Section 4980H), and neither the Company, nor any of its Subsidiaries nor any ERISA Affiliate is subject to, or reasonably could be expected to be subject to, any "assessable payments" (within the meaning of Code Section 4980H) for any month beginning prior to the Effective Time. Neither the Company nor any of its Subsidiaries uses a "look back measurement period" to determine "full time employee" status for any category of employee for purposes of the ACA employer mandate. No Benefit Plan is a "grandfathered" group health plan under the ACA, and any such Benefit Plan previously sponsored or contributed to satisfied at all times the requirements for such grandfathered status. On and after January 1, 2014, neither the Company nor any of its Subsidiaries have maintained any (i) (pre-tax or after tax) "employer payment plan" (within the meaning of IRS Notice

2013 54) or (ii) health reimbursement arrangement (HRA) that is not integrated with an employer group health plan that satisfies all applicable ACA requirements.

3.13 Labor and Employment Matters.

(a) The Company and each of its Subsidiaries are and have been in material compliance with all applicable Laws relating to labor and employment, including those relating to wages, hours, collective bargaining, unemployment compensation, worker's compensation, equal employment opportunity, age and disability discrimination, immigration control, employee classification and information privacy and security. As of the date of this Agreement there is not pending or, to the Knowledge of the Company, threatened, any labor dispute, work stoppage, labor strike or lockout against the Company or any of its Subsidiaries.

(b) No employee of the Company or any of its Subsidiaries is covered by an effective or pending collective bargaining agreement or similar labor agreement. To the Knowledge of the Company, there has not been any activity on behalf of any labor organization or employee group to organize any such employees. There are no (i) unfair labor practice charges or complaints against the Company or any of its Subsidiaries pending before the National Labor Relations Board or any other labor relations tribunal or authority, and to the Knowledge of the Company, no such representations, claims or petitions are threatened, (ii) representation claims or petitions pending before the National Labor Relations Board or any other labor relations tribunal or authority or (iii) grievances or pending arbitration proceedings against the Company or any of its Subsidiaries that arose out of or under any collective bargaining agreement.

(c) Except for such incorrect classifications as would not reasonably be expected to result in a liability to the Company (or, from and after the Effective Time, the Surviving Company with respect to matters first arising prior to the Effective Time) of more than $50,000 in the aggregate, all individuals who are performing consulting or other services for the Company or any Subsidiary of the Company are or were correctly classified by the Company as either "independent contractors" or "employees," as the case may be. All employees of the Company and any Subsidiary of the Company have been correctly classified as "exempt" or "non-exempt" under the Fair Labor Standards Act.

(d) Prior to the date hereof, the Company has delivered to Parent a true, correct and complete list of the name of each officer and employee of and independent contractor who is an individual providing material service to the Company and each Subsidiary thereof as of the Company's most recent payroll date prior to the date of this Agreement, together with such person's position or function, annual base salary or wages and any incentives or bonus arrangement with respect to such person.

(e) The properties, assets and operations of the Company and each of its Subsidiaries have been in compliance in all material respects with all applicable federal, state, local and foreign laws, rules and regulations, orders, decrees, judgments, permits and licenses relating to public and worker health and safety (collectively, "Worker Safety Laws"). With respect to such properties, assets and operations, including any previously owned, leased or operated properties, assets or

operations, there are no past, present or reasonably anticipated future events, conditions, circumstances, activities, practices, incidents, actions or plans of the Company or any of its Subsidiaries that may interfere with or prevent compliance or continued material compliance with applicable Worker Safety Laws.

3.14 Environmental Matters.

(a) The Company and each of its Subsidiaries are and have been in compliance in all material respects with all applicable Environmental Laws, have obtained all Environmental Permits and are in compliance in all material respects with their requirements, and have resolved all past non-compliance with Environmental Laws and Environmental Permits without any pending, on-going or future obligation, cost or liability.

(b) Neither the Company nor any of its Subsidiaries has (i) placed, held, located, released, transported or disposed of any Hazardous Substances on, under, from or at any of their respective properties or any other properties other than in compliance with applicable Law, (ii) any knowledge of the presence of any Hazardous Substances on, under, emanating from, or at any of their respective properties or any other property but arising from the Company's or any of its Subsidiaries' current or, to the Knowledge of the Company, former properties or operations other than in compliance with applicable Laws, or (iii) any knowledge, nor has it received any written notice (A) of any violation of or liability under any Environmental Laws, (B) of the institution or pendency of any suit, action, claim, proceeding or investigation by any Governmental Authority or any third party in connection with any such violation or liability, (C) requiring the investigation of, response to or remediation of Hazardous Substances at or arising from any of the Company's or any of its Subsidiaries' current or former properties or operations or any other properties, (D) alleging noncompliance by the Company or any of its Subsidiaries with the terms of any Environmental Permit in any manner reasonably likely to require significant expenditures or to result in liability, or (E) demanding payment for response to or remediation of Hazardous Substances at or arising from any of the Company's or any of its Subsidiaries' current or former properties or operations or any other properties, except in each case as has not had and would not reasonably be expected to have a Company Material Adverse Effect.

(c) No Environmental Law imposes any obligation upon the Company or any of its Subsidiaries arising out of or as a condition to any transaction contemplated by this Agreement, including any requirement to modify or to transfer any permit or license, any requirement to file any notice or other submission with any Governmental Authority, the placement of any notice, acknowledgment or covenant in any land records, or the modification of or provision of notice under any agreement or Order.

(d) All environmental assessments or audit reports and other similar studies and analyses relating to any real property currently or formerly owned, leased, used or occupied by the Company or any of its Subsidiaries have been provided to Parent, and none of the foregoing disclose a condition that has had or would reasonably be expected to have a Company Material Adverse Effect.

(e) Neither the Company nor any of its Subsidiaries has exposed any third party to any Hazardous Substances or condition that has subjected or may subject the Company or any of its Subsidiaries to liability under any Environmental Law, except in each case as has not had and would not reasonably be expected to have a Company Material Adverse Effect.

(f) To the Knowledge of the Company, no underground storage tanks, asbestos-containing material, or polychlorinated biphenyls have ever been located on property or properties presently or formerly owned or operated by the Company or any of its Subsidiaries, except in each case as has not had and would not reasonably be expected to have a Company Material Adverse Effect.

(g) Neither the Company nor any of its Subsidiaries has agreed to assume, undertake or provide indemnification for any material liability of any other person under any Environmental Law, including any obligation for corrective or remedial action.

(h) Neither the Company nor any of its Subsidiaries has received written notice that it is required to make any material capital or other expenditures to comply with any Environmental Law nor is there, to the Knowledge of the Company, any reasonable basis on which any Governmental Authority could take action that would require such material capital or other expenditures.

3.15 Taxes.

(a) The Company and each of its Subsidiaries have prepared and timely filed all material Tax Returns required to be filed, and all Tax Returns filed by the Company and each of its Subsidiaries are true, correct and complete in all material respects. For purposes of this Section 3.15, references to the Company and/or its Subsidiaries include predecessors to the Company and any of its Subsidiaries. The Company has made available to Parent copies of all federal income and other material Tax Returns filed by the Company and each of its Subsidiaries since January 1, 2010.

(b) All material Taxes due and owing by the Company and each of its Subsidiaries (whether or not shown on any Tax Returns) have timely been paid, or have been timely withheld and remitted (if applicable), to the appropriate Governmental Authority, except for those Taxes being contested in good faith and for which adequate reserves have been established in the Company Financial Statements.

(c) All material Taxes that have accrued but have not yet been paid have been reserved for in accordance with GAAP (including FIN 48, Accounting for Uncertainty in Income Taxes) in the Company Financial Statements, or have been incurred in the ordinary course of business since the date of the Latest Company Balance Sheet in amounts consistent with prior periods.

(d) Neither the Company nor any of its Subsidiaries has executed any waiver of any statute of limitations on or extended the period for the assessment or collection of any Tax that is still in effect.

(e) Neither the Company nor any of its Subsidiaries has received written notice of any proposed or threatened Tax Proceedings against, or with respect to any Taxes of, the Company or any of its Subsidiaries, and no such Tax Proceedings are currently pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries.

(f) As of the date hereof, neither the Company nor any of its Subsidiaries is a party to any closing agreement pursuant to Section 7121 of the Code, or any similar provision of state, local, or foreign Law that would reasonably be expected to have a Company Material Adverse Effect following the Merger.

(g) Each of the Company and its Subsidiaries has disclosed on its Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Section 6662 of the Code.

(h) No written claim has been made by any Governmental Authority in a jurisdiction where either the Company or any of its Subsidiaries has not filed Tax Returns indicating that the Company or such Subsidiary is or may be subject to any taxation by such jurisdiction.

(i) Neither the Company nor any of its Subsidiaries are subject to Tax in any foreign (within the meaning of Section 7701 of the Code) country by virtue of having a permanent establishment or fixed place of business in any foreign country.

(j) Neither the Company nor any of its Subsidiaries has agreed or is required to make any adjustments pursuant to Section 481(a) of the Code (or any similar provision of state, local or foreign Law) for any taxable period (or portion thereof) ending after the Closing Date by reason of a change in accounting method made for any taxable period (or portion thereof) ending on or prior to the Closing Date, nor is any application pending with any Governmental Authority requesting permission for any change in accounting method.

(k) Other than in the ordinary course of business, consistent with past practice, neither the Company nor any of its Subsidiaries will be required to include any material item of income in, or exclude any material item of deduction from, U.S. taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any transaction that occurred prior to the Merger, as a result of (i) any installment sale or open transaction disposition made on or prior to the Closing Date, (ii) any prepaid amount received on or prior to the Closing Date, or (iii) any election made on any Tax Return.

(l) There are no material Liens on the assets of the Company or any of its Subsidiaries relating to or attributable to Taxes, other than Permitted Liens.

(m) The Company is not a "United States real property holding corporation" within the meaning of Section 897(c)(2) of the Code, nor has it been a "United States real property holding corporation" within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(i) of the Code.

(n) There are no material deferred intercompany transactions within the meaning of Treasury Regulation Section 1.1502-13(b)(1) with respect to which the Company or any of its Subsidiaries would be required to include any item of income or gain in, or exclude any item of deduction or loss from, taxable income for any taxable period (or portion thereof) ending on or after the Closing Date. There are no material "excess loss accounts" within the meaning of Treasury Regulation Section 1.1502-19(a)(2) with respect to any Subsidiaries of the Companies.

(o) Neither the Company nor any of its Subsidiaries (i) is a party to a Contract, Material Contract or arrangement (other than a Contract entered into in the ordinary course of business) that provides for Tax indemnity or Tax sharing, or for the payment of any portion of a Tax (or pay any amount calculated with reference to any portion of a Tax) of any other Person, or (ii) has any Liability for Taxes of any Person (other than the Company or any of its Subsidiaries) under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or foreign Laws), as a transferee or successor. Neither the Company nor any of its Subsidiaries has been a member of a combined, consolidated, unitary or similar group for Tax purposes, other than any such group of which the Company was at all times the common parent corporation.

(p) Neither the Company nor any of its Subsidiaries has constituted either a "distributing corporation" or a "controlled corporation" in a distribution of stock intended to qualify for tax-free treatment under Section 355 of the Code (x) in the two (2) years prior to the date of this Agreement or (y) in a distribution which would otherwise constitute part of a "plan" or "series of related transactions" (within the meaning of Section 355(e) of the Code and regulations thereunder) in conjunction with the Merger.

(q) Neither the Company nor any of its Subsidiaries has participated in or is currently participating in any "reportable transaction" within the meaning of Treasury Regulation Section 1.6011-4(b)(1).

(r) Neither the Company nor any of its Subsidiaries has requested or received a formal ruling or entered into an agreement with the IRS or any other taxing authority that would be reasonably likely to have a Company Material Adverse Effect after the Closing Date.

(s) No Subsidiary of the Company is a "controlled foreign corporation" as defined in the Code. Neither the Company nor any of its Subsidiaries owns an interest in any entity treated as a "passive foreign investment company" as defined in the Code.

(t) To the Knowledge of the Company, neither the Company nor any of its Subsidiaries owns any property of a character, the indirect transfer of which, pursuant to this Agreement, would give rise to any documentary, stamp, or other transfer Tax.

3.16 Contracts.

(a) Section 3.16(a) of the Company Disclosure Letter lists all of the Material Contracts to which the Company or any of its Subsidiaries is a party or by which any of their respective properties or assets is bound. True and complete copies of all Material Contracts and,

without limitation, all amendments, addendums, exhibits, modifications or similar changes to the same have been made available to Parent. "Material Contracts" means any of the following contracts, agreements or arrangements (other than purchase or sales orders entered into in the ordinary course), whether written or oral, currently in effect and binding:

(i) any Contract that limits the ability of the Company or any of its Subsidiaries (or, following the consummation of the transactions contemplated by this Agreement, would limit the ability of Parent or any of its Subsidiaries, including the Surviving Company) to compete in any line of business or with any Person or in any geographic area, or that restricts the right of the Company or any of its Subsidiaries (or, following the consummation of the transactions contemplated by this Agreement, would limit the ability of Parent or any of its Subsidiaries, including the Surviving Company) to sell to or purchase from any Person or to hire any Person, or that grants the other party or any third Person "most favored nation" status or any similar type of favored discount rights;

(ii) any Contract with respect to the formation, creation, operation, management or control of a joint venture, partnership, limited liability or other similar agreement or arrangement;

(iii) any Contract governing or securing Indebtedness of the Company or its Subsidiaries that provides for payments in excess of $100,000;

(iv) Contract involving the acquisition or disposition, directly or indirectly (by merger or otherwise), of assets or capital stock or other equity interests for aggregate consideration (in one or a series of transactions) under such Contract of $100,000 or more (other than acquisitions or dispositions of inventory in the ordinary course of business consistent with past practice);

(v) any Contract that by its terms calls for aggregate payment or receipt by the Company or any of its Subsidiaries under such Contract of more than $100,000 over the remaining term of such Contract;

(vi) any Contract pursuant to which the Company or any of its Subsidiaries has continuing indemnification (other than clinical trial agreements, product warranties or real estate lease indemnities in the ordinary course of business consistent with past practice), guarantee, "earn-out" or other contingent payment obligations, in each case that could result in payments in excess of $100,000;

(vii) any Contract that is a license or right to use agreement that is material to the business of the Company and its Subsidiaries, taken as a whole, pursuant to which the Company or any of its Subsidiaries grants or is granted a license under or right to use any Intellectual Property or Technology, in each case that involves annual payment obligations to or from the Company or any of its Subsidiaries in excess of $100,000, other than license agreements for "off-the-shelf" software that is generally commercially available and is licensed in object code form solely for internal use purposes;

(viii) any Contract that provides for any material confidentiality, standstill or similar obligations on the Company or any of its Subsidiaries, except for such Contracts entered into in the ordinary course of business consistent with past practice;

(ix) any Contract that obligates the Company or any of its Subsidiaries to make any capital commitment, loan or expenditure in an amount in excess of $100,000;

(x) any Contract between the Company or any of its Subsidiaries, on the one hand, and any Affiliate thereof other than any Subsidiary of the Company of more than $100,000;

(xi) any Contract with brokers, franchisees, distributors, resellers or dealers;

(xii) any agreements with group purchasing organizations (GPOs) or integrated delivery networks (IDNs);

(xiii) any agreement that involves annual amounts in excess of $50,000 with the Veterans Administration or Federal Supply Administration;

(xiv) any material supplier Contract;

(xv) any Contract with any Governmental Authority (other than as set forth in item (xiii) above) that involves annual amounts in excess of $50,000, or any Order that imposes material obligations on the Company and its Subsidiaries, taken as whole; or

(xvi) any other Contract, agreement, understanding or arrangement that is material to the financial condition, business, assets, results of operations or prospects of the Company and its Subsidiaries, taken as a whole, in each case that involves annual payment obligations to or from the Company or any of its Subsidiaries in excess of $100,000.

Section 3.16(a) of the Company Disclosure Letter identifies any Material Contract that requires consent to or otherwise contains a provision relating to a "change of control," or that could or could reasonably be expected to prevent, delay or impair the consummation of the transactions contemplated by this Agreement.

(b) (i) Each Material Contract is valid and binding on the Company and any of its Subsidiaries to the extent such Subsidiary is a party thereto, as applicable, and to the Knowledge of the Company, each other party thereto, and is in full force and effect and enforceable in accordance with its terms (except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity, and further limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies); and (ii) there is no material default under any Material Contract by the Company or any of its Subsidiaries or, to the Knowledge of the Company, any other party thereto, and no event or condition has occurred that constitutes, or, after notice or lapse of time or both, would constitute, a material default on the part of the Company or any of its Subsidiaries or, to the Knowledge of the Company, any other party

thereto under any such Material Contract, nor has the Company or any of its Subsidiaries received any notice of any such default, event or condition.

3.17 Insurance. Section 3.17 of the Company Disclosure Letter sets forth, as of the date hereof, a true and complete list of all insurance policies issued in favor of the Company or any of its Subsidiaries, or pursuant to which the Company or any of its Subsidiaries is a named insured or otherwise a beneficiary, as well as any historic occurrence-based policies still in force (other than such policies with respect to Benefit Plans offered to individuals who are employed or co-employed by the Company or its Affiliates in the ordinary course of business). With respect to each such insurance policy, (a) such policy is in full force and effect and all premiums due thereon have been paid, and (b) neither the Company nor any of its Subsidiaries is in breach or default, or has taken any action or failed to take any action which (with or without notice or lapse of time, or both) would constitute such a breach or default, or would permit cancellation or termination of, any such policy. No notice of cancellation or termination has been received with respect to any such policy.

3.18 Properties.

(a) The Company or one of its Subsidiaries has good and valid title to, or in the case of leased property and leased tangible assets, a valid leasehold interest in, all of its assets constituting personal property, free and clear of all Liens other than Permitted Liens and those Liens set forth on Section 3.18(a) of the Company Disclosure Letter.

(b) Section 3.18(b) of the Company Disclosure Letter sets forth a true and complete list of all Company Leased Real Property. Neither the Company nor any Subsidiary thereof owns, nor has any of them ever owned since January 1, 2004, any Owned Real Property. The Company or one or more of its Subsidiaries has valid leasehold title to all Company Leased Real Property, in each case, free and clear of all Liens except Permitted Liens and those Liens set forth on Section 3.18(a) of the Company Disclosure Letter. No parcel of Company Leased Real Property is subject to any Order to be sold or is being condemned, expropriated or otherwise taken by any public authority or Governmental Authority with or without payment of compensation therefor, nor, to the Knowledge of the Company, has any such condemnation, expropriation or taking been proposed. All Leases of Company Leased Real Property and all amendments and modifications thereto are in full force and effect, and there exists no default under or breach of any Company Lease by the Company, any of its Subsidiaries or, to the Knowledge of the Company, any other party thereto, nor any event which, with notice or lapse of time or both, would constitute a default thereunder or breach thereof by the Company, any of its Subsidiaries or, to the Knowledge of the Company, any other party thereto, except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect. Assuming all consents, approvals and authorizations listed in Section 3.5 of the Company Disclosure Letter relating to any Company Leased Real Property have been obtained, all Leases of Company Leased Real Property shall remain valid and binding in accordance with their terms immediately following Effective Time.

(c) There are no contractual or legal restrictions that preclude or materially restrict the ability to use, to the Knowledge of the Company, any Company Leased Real Property by the Company or any of its Subsidiaries in the manner in which it is currently used or proposed by the

Company and its Subsidiaries to be used. To the Knowledge of the Company, there are no material latent defects or material adverse physical conditions affecting the Company Leased Real Property that would materially impair the continued operation of the business of the Company and its Subsidiaries as presently conducted at such property. All plants, warehouses, distribution centers, structures and other buildings on and constituting part of the Company Leased Real Property are adequately maintained in all material respects and are in good operating condition and repair, ordinary wear and tear excepted, for the requirements of the businesses of the Company and its each of its Subsidiaries as currently conducted.

(d) The Company or its Subsidiaries enjoys peaceful and undisturbed possession under all such Leases for Company Leased Real Property, except where the lack of such peaceful and undisturbed possession, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect.

3.19 Intellectual Property.

(a) As used herein, the term "Intellectual Property" means all intellectual property rights arising under the laws of the United States or any other jurisdiction, including, but not limited to, the following: (i) trade names, trademarks and service marks (registered and unregistered), domain names, trade dress and similar rights and applications to register any of the foregoing (collectively, "Marks"); (ii) patents and patent registrations and applications, rights to use and rights in respect of utility models or industrial designs and invention disclosures, and all reissues, divisionals, re-examinations, corrections, renewals, extensions, provisionals, PCTs, continuations and continuations in-part thereof, and other derivatives and certificates associated therewith (collectively, "Patents"); (iii) copyrights, materials subject to copyright protection, and registrations and applications therefor (collectively, "Copyrights"); and (iv) know-how, inventions, discoveries, methods, processes, technical data, specifications, research and development information, technology, data bases and other proprietary or confidential information, including customer lists, in each case that derives economic value (collectively, "Trade Secrets"). As used in this Section 3.19 or in the Company Disclosure Letter, the term "Company Trade Secrets" means (i) all Trade Secrets owned by, or licensed to, the Company or any of its Subsidiaries, and (ii) all Trade Secrets with respect to which the Company or any of its Subsidiaries has a right to use. As used herein, the term "Technology" means all tangible items related to or constituting, disclosing, or embodying any Intellectual Property, including any or all of the following: Patents, Marks, Copyrights, Trade Secrets, technology, information, know how, inventions (whether or not patented or patentable), discoveries, improvements, show how, techniques, mask works, designs, design rules, algorithms, routines, models, methodologies, software and computer programs (whether in source code or object code), files, compilations, including any and all data and collections of data, databases processes, prototypes, devices, schematics, netlists, test methodologies, development work and tools and all user documentation. As used herein, the term "Company Technology" means Technology used by, distributed by, owned by, or licensed to, the Company or any of its Subsidiaries.

(b) Section 3.19(b)(1) of the Company Disclosure Letter sets forth an accurate and complete list of all Marks owned by, or licensed to, the Company or any of its Subsidiaries

(collectively, "Company Marks"). Section 3.19(b)(2) of the Company Disclosure Letter sets forth an accurate and complete lists of (i) all Patents owned by, or licensed to, the Company or any of its Subsidiaries, and (ii) all Patents with respect to which the Company or any of its Subsidiaries has a right to use (collectively, "Company Patents"). Except as set forth on the Company Disclosure Letter, none of the Company Patents licensed to the Company or any of its Subsidiaries or the Company Patents to which the Company or any of its Subsidiaries has a right to use, is necessary for the Company or any of its Subsidiaries to conduct the business of the Company or any of its Subsidiaries in a manner consistent with past practices or as currently contemplated, including the use or other exploitation of the Company IP and Company Technology. Section 3.19(b)(3) of the Company Disclosure Letter sets forth an accurate and complete list of all registered or material Copyrights owned by, or licensed to, the Company or any of its Subsidiaries (collectively, "Company Copyrights") and, together with the Company Trade Secrets, the Company Marks, the Company Patents, collectively the "Company IP"). Sections 3.19(b)(1)-(3) of the Company Disclosure Letter indicate with respect to Company Marks, Company Patents and Company Copyrights, as applicable, those that are licensed to the Company or any of its Subsidiaries or as to which the Company or any of its Subsidiaries has a right to use. To the Knowledge of the Company, no Company IP has been or is now involved in any interference, reissue, reexamination, opposition, nullity or cancellation proceeding and, to Knowledge of the Company, no such action is or has been threatened with respect to any of the Company IP. The Company IP owned by the Company or any of its Subsidiaries and, to the Knowledge of the Company, the Company IP not owned by the Company or any of its Subsidiaries, is subsisting. To the Knowledge of the Company, the Company IP (excluding any pending patent applications included in the Company IP and other than Company IP not owned by the Company or any of its Subsidiaries) is valid and enforceable and, except as set forth on Section 3.19(b)(4) of the Company Disclosure Letter, no written notice or claim or, to the Knowledge of the Company, oral notice or claim, has been received by the Company or any of its Subsidiaries, challenging the validity or enforceability or alleging the misuse of any of the Company IP or Company Technology. Neither the Company nor any of its Subsidiaries has taken any action or failed to take any action that would reasonably be expected to result in the abandonment, cancellation, forfeiture, relinquishment, invalidation or unenforceability of any of the Company IP. All filing, examination, issuance, post registration and maintenance fees and the like that have come due and are required to maintain, preserve or renew any of the Company IP owned by the Company or any of its Subsidiaries have been timely paid. Except as set forth on Section 3.19(b)(5) of the Company Disclosure Letter, since January 1, 2013, with respect to the Company IP owned by the Company or any of its Subsidiaries, there are no filings, payments or other actions that were required to have been, or are required to be, made or taken, but which have not been made or taken, including the payment of any registration, maintenance or renewal fees or the filing of any responses to office actions, documents, applications or certificates, to obtain, maintain, preserve or renew any Company IP owned by the Company or any of its Subsidiaries.

(c) Each of the Company and its Subsidiaries have taken such steps as are sufficient to ensure the protection of their rights in the Company IP and Company Technology and to maintain the confidentiality of all of the Trade Secrets of the Company or any Subsidiaries. All current or former employees, consultants and contractors of the Company or any of its Subsidiaries who have participated in the creation of any Company IP or Company Technology have entered into

customary proprietary information, confidentiality and assignment agreements in favor of the Company or its Subsidiaries, as applicable (true, correct and complete copies of all such agreements having previously been provided to Parent), which such agreements effectively and irrevocably assign to the Company or its Subsidiary, as applicable, all right, title, and interest in and to all Company IP and Company Technology.

(d) None of the Company IP and Technology that is owned by the Company or any of its Subsidiaries and, to the Knowledge of the Company, none of the Company IP not owned by the Company or any of its Subsidiaries and none of the Technology that is not owned by the Company or any of its Subsidiaries, is subject to any outstanding order, judgment, or stipulation restricting the use or exploitation thereof by the Company or any of its Subsidiaries or, from and after the Effective Time, by Parent or the Surviving Company or any of their respective Subsidiaries.

(e) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, will not result in, the loss or impairment of, or give rise to any right of any third party to terminate or re-price or otherwise modify any of the Company's or any of its Subsidiaries' rights or obligations to or under any Company IP, Company Technology or any Material Contract as defined in Section 3.16(a)(viii) of this Agreement. The Company's and its Subsidiaries' license rights or other rights to use Intellectual Property or Technology owned by a Person shall be exercisable by the Surviving Company or one or more of the such Subsidiaries on and after the Closing to the same extent used by the Company and its Subsidiaries prior to the Closing. Except as set forth on Section 3.19(e) of the Company Disclosure Letter, neither the Company nor any of its Subsidiaries has granted to any Person any rights to or under any Company IP or Company Technology. All milestones, obligations, and other conditions set forth in any agreements under which the Company or any of its Subsidiaries derives exclusive or non-exclusive rights to use any Company IP or Company Technology, whether by license, right to use or otherwise, that are required to be satisfied or performed in order for the Company or its Subsidiaries or the Surviving Company to retain those rights so derived have been timely satisfied and all such exclusive or non-exclusive rights, as applicable, remain in full force and effect and will after the consummation of the transactions contemplated hereby, remain in full force and effect.

(f) The Company or one or more of its Subsidiaries owns all right, title and interest to the Company IP and Company Technology (other than Company IP and Technology licensed to the Company or any of its Subsidiaries), in each case, free and clear of all Liens other than (i) Permitted Liens and (ii) and those Liens set forth on Section 3.18(a) of the Company Disclosure Letter, and neither the Company nor any of its Subsidiaries has received any written or, to the Knowledge of the Company or any of its Subsidiaries oral, notice or claim challenging the Company's or any of its Subsidiaries' ownership of or right to use any such Company IP or Company Technology. No loss, impairment or expiration of any Company IP or Company Technology has occurred or is pending or threatened.

(g) The conduct of the Company's and the Subsidiaries' business as currently conducted, including the use or other exploitation of the Company IP and Company Technology, has not infringed, misappropriated, diluted or violated, and does not and, following the consummation of

the Merger and the other transactions contemplated hereby, will not, infringe, misappropriate, dilute or violate any Intellectual Property or Technology (other than Patents) of any Person or constitute unfair competition or unfair trade practices under the laws of any jurisdiction, and neither the Company nor any of its Subsidiaries has received any written notice or claim or, to the Knowledge of the Company or any of its Subsidiaries, oral notice or claim asserting or suggesting that any such infringement, misappropriation, violation, dilution, unfair competition or unfair trade practice has occurred, nor, to the Knowledge of the Company or any of its Subsidiaries, is there any reasonable basis for making any such claim. To the Knowledge of the Company, the conduct of the Company's and the Subsidiaries' businesses as currently conducted, including the use or other exploitation of the Company IP and Company Technology, has not infringed and does not and, following the consummation of the Merger and the other transactions contemplated hereby, the Surviving Company's and Parent's conduct of business consistent with the past practices of, or as currently contemplated by, the Company and its Subsidiaries, will not, infringe any Patent of any Person and neither the Company nor any of its Subsidiaries has received any written notice or claim or, to the Knowledge of the Company, oral notice or claim asserting or suggesting that any such infringement has occurred, nor, to the Knowledge of the Company, is there any reasonable basis for making any such claim. To the Knowledge of the Company, (i) no third party is misappropriating or infringing the Company IP or Company Technology and (ii) no current or former employee or consultant of the Company nor any third party has made any unauthorized disclosure of any Trade Secrets of the Company or any of its Subsidiaries. The Company and its Subsidiaries possess all Intellectual Property and Technology rights, without any royalty or other payment obligation, necessary to use and exploit all Company IP and Company Technology used in, and in the conduct of, the business of the Company and its Subsidiaries as currently conducted and as currently contemplated to be conducted, and after the consummation of the transactions contemplated hereby, the Surviving Company and its Subsidiaries will possess all Intellectual Property and Technology rights necessary to conduct the business of the Surviving Company and its Subsidiaries as currently conducted by, and as currently contemplated by, the Company and its Subsidiaries.

(h) At no time during the conception, development, or reduction to practice of any Company IP or Company Technology owned by the Company or any of its Subsidiaries was any developer, inventor or other contributor to such Company IP or Company Technology operating under any funding or grants from any Governmental Authority or private source, performing research sponsored by any Governmental Authority or private source, used, directly or indirectly, facilities, or personnel of any Governmental Authority or any public or private university, college, or other educational or research institution, or subject to any employment agreement or invention assignment or nondisclosure agreement or other obligation with any third party. There exists no Technology that was conceived, developed or reduced to practice by current or former employees, contractors, or consultants of the Company or any of its Subsidiaries prior to their beginning employment or consultation with the Company or such Subsidiary that have been or are intended to be incorporated into any of the Company IP or Company Technology, including for the avoidance of doubt any products of the Company or any of its Subsidiaries, other than any such Technology that has been validly and irrevocably assigned or licensed to the Company or its Subsidiaries, as applicable, by written agreement.

(i) To the Knowledge of the Company, there has been no prior use of any Company Mark adopted by the Company or any of its Subsidiaries by any third party that would confer upon such third party superior rights in such Company Mark.

3.20 Products. Since the date of the Latest Company Balance Sheet, neither the Company nor any of its Subsidiaries, nor, to the Knowledge of the Company, any distributor of the Company or any of its Subsidiaries, has received a claim for or based upon (i) breach of product or service warranty or guaranty or similar claim, (ii) strict liability in tort, (iii) negligent design of product, negligent provision of services or (iv) any other complaint or allegation of liability, including or arising from the materials, design, testing, manufacture, packaging, labeling (including instructions for use), or sale of its products or from the provision of services, in each case that would result in material liability to the Company and its Subsidiaries in excess of the warranty reserve reflected on the Company's financial statements.

3.21 Accounts Receivable. All of the accounts receivable of the Company and each of its Subsidiaries reflected on the Latest Company Balance Sheet: (i) represent sales actually made or transactions actually effected in the ordinary course of business for goods or services delivered or rendered to unaffiliated customers in bona fide arm's length transactions, and (ii) constitute valid claims (in each case net of the applicable reserves reflected on the Latest Company Balance Sheet).

3.22 Inventories. All inventories of the Company and each of its Subsidiaries, including without limitation any inventories on consignment, consist of items of merchantable quality and quantity usable or saleable (free of any material defect or deficiency) in the ordinary course of business, conform to the specifications established therefor, and have been manufactured in accordance with applicable regulatory requirements. No material portion of the inventories, materials and supplies of the Company and each of its Subsidiaries are obsolete, damaged, slow-moving, defective or excessive.

3.23 Related Party Transactions. Except as set forth on Section 3.23 of the Company Disclosure Letter, no present or former director, executive officer, stockholder owning five percent (5%) or more of the shares of Company Capital Stock, or Affiliate of the Company or any of its Subsidiaries, nor, to the Knowledge of the Company, any of such Person's Affiliates or immediate family members (each of the foregoing, a "Related Party"), is a party to any Contract with or binding upon the Company or any of its Subsidiaries or any of their respective material properties or assets or has engaged in any transaction with any of the foregoing within the last twelve (12) months or that has continuing obligations and in which any Related Party had, has or will have a direct or indirect material interest, other than ownership of Company Capital Stock, employment or equity-incentive compensation and benefits payable to directors, executive officers and employees of the Company and its Subsidiaries. To the Knowledge of the Company, no Related Party of the Company or any of its Subsidiaries owns, directly or indirectly, on an individual or joint basis, any interest in any material respect, or serves as an officer or director or in another similar capacity of, any supplier or other independent contractor of the Company or any of its Subsidiaries, or any organization which has a Material Contract with the Company or any of its Subsidiaries.

3.24 Brokers. No broker, investment banker, financial advisor or other Person, other than Piper Jaffray & Co., the fees and expenses of which will be paid by the Company, is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company or any of its Affiliates.

3.25 Exclusivity of Representations and Warranties. Except as expressly set forth in this Agreement, neither the Company nor any of its Affiliates or representatives is making any representation or warranty on behalf of the Company of any kind or nature whatsoever, oral or written, express or implied (including, but not limited to, any relating to financial condition, results of operations, prospects, assets or liabilities of the Company and its Subsidiaries), and, except as expressly set forth in this Agreement, the Company hereby disclaims any and all such other representations and warranties and any liability based thereon; provided, however, that with respect to claims for Company-Related Fraud, the limitation with respect to the representations and warranties on behalf of the Company and the disclaimer with respect representations and warranties and any liability based thereon that are set forth in the preceding portion of this Section 3.25 or elsewhere in this Agreement shall not apply, shall have no effect and shall be disregarded as if it had been deleted from this Agreement.

Article IV

REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Except as disclosed in the disclosure schedules delivered by Parent to the Company immediately prior to the execution of this Agreement (the "Parent Disclosure Letter"), Parent and Merger Sub jointly and severally represent and warrant to the Company that:

4.1 Organization, Standing and Power. Each of Parent and Merger Sub (a) is a corporation duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation and (b) has the requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted, except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect.

4.2 Authority. Each of Parent and Merger Sub has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement by Parent and Merger Sub and the consummation by Parent and Merger Sub of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Parent and Merger Sub and no other corporate proceedings on the part of Parent or Merger Sub are necessary to approve this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by Parent and Merger Sub and, assuming the due authorization, execution and delivery by the Company, constitutes a valid and binding obligation of each of Parent and Merger Sub, enforceable against each of Parent and Merger Sub in accordance

with its terms (except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity).

4.3 No Conflict; Consents and Approvals.

(a) The execution, delivery and performance of this Agreement by each of Parent and Merger Sub does not, and, assuming that all consents, approvals, authorizations and other actions described in this Section 4.3 have been obtained and all filings and obligations described in this Section 4.3 have been made, the consummation of the Merger and compliance by each of Parent and Merger Sub with the provisions hereof will not, conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, cancellation, modification or acceleration of any obligation or to the loss of a material benefit under, or result in the creation of any Lien in or upon any of the properties, assets or rights of Parent or Merger Sub under, or give rise to any increased, additional, accelerated or guaranteed rights or entitlements under, or require any consent, waiver or approval of any Person pursuant to, any provision of (i) the certificate of incorporation or bylaws of Parent or Merger Sub, each as amended to date, (ii) any material Contract to which Parent or Merger Sub is a party by which Parent, Merger Sub or any of their respective properties or assets may be bound or (iii) subject to the governmental filings and other matters referred to in Section 4.3(b), any material Law or any rule or regulation of the NYSE applicable to Parent or Merger Sub or by which Parent, Merger Sub or any of their respective properties or assets may be bound.

(b) No consent, approval, order or authorization of, or registration, declaration, filing with or notice to, any Governmental Authority is required by or with respect to Parent or Merger Sub in connection with the execution, delivery and performance of this Agreement by Parent and Merger Sub or the consummation by Parent and Merger Sub of the Merger and the other transactions contemplated hereby or compliance with the provisions hereof, except for (i) such filings and reports as required pursuant to the applicable requirements of the Securities Act, the Exchange Act and any other applicable state or federal securities and "blue sky" laws, (ii) the filing of the Certificate of Merger with the Delaware Secretary of State, as required by the DGCL, (iii) any filings and approvals required under the rules and regulations of the NYSE, and (iv) such other consents, approvals, orders, authorizations, registrations, declarations, filings or notices the failure of which to be obtained or made, individually or in the aggregate, have not had and would not reasonably be expected to have a Parent Material Adverse Effect.

4.4 Capitalization.

(a) As of December 17, 2015, the authorized capital stock of Parent consists of (i) 75,000,000 shares of Parent Common Stock, of which 29,764,880 shares are issued, 28,500,303 shares are issued and outstanding, and 1,264,577 shares are held in treasury, and (ii) 5,000,000 shares of preferred stock of Parent, of which no shares are issued or outstanding. As of December 17, 2015, there are (i) outstanding employee stock options to purchase an aggregate of 1,898,351 shares of Parent Common Stock (of which options to purchase an aggregate of 1,303,517 are exercisable), (ii) restricted stock unit awards with respect to an aggregate of 103,563 shares of Parent

Common Stock and (iii) performance stock unit awards with respect to an aggregate of 134,929 shares of Parent Common Stock. All of the issued and outstanding shares of Parent Common Stock are duly authorized, validly issued and fully paid and nonassessable and all shares of Parent Common Stock that may be issued pursuant to any stock option will be, when issued in accordance with the respective terms thereof, duly authorized and validly issued and fully paid, and, in each case, are and will be free and clear of any preemptive rights, restrictions on transfer (other than restrictions under applicable federal, state and other securities laws) or Liens (other than Permitted Liens).

(b) The authorized capital stock of Merger Sub consists of 1,000 shares of common stock, par value $0.001 per share, all of which have been validly issued, are fully paid and nonassessable and are owned by Parent free and clear of any Lien.

4.5 Financing. On or prior to the date hereof, Parent has delivered to the Company a debt commitment letter from its current Financing Sources (the "Debt Commitment Letter") for the Financing in amounts that, together with Parent's cash and cash equivalents, are sufficient to fund the payment of the cash portion of the Estimated Purchase Price and deductions therefrom required to be paid or otherwise funded by Parent at the Closing, and the payment of all fees and expenses incurred in connection therewith. As of the date hereof, the Debt Commitment Letter remains in full force and effect, without modification or amendment, and Parent has not received any written notice of any Financing Source's intent to terminate, modify or amend the Debt Commitment Letter. The Debt Commitment Letter constitutes valid and binding obligations of Parent and Merger Sub and, to the Knowledge of Parent, each other party thereto, enforceable against such party in accordance with its terms (except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity, and further limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies). As of the date hereof, no event has occurred which, with or without notice, lapse of time or both, would or would reasonably be expected to (1) constitute a default or breach of any provision of the Debt Commitment Letter on the part of Parent or Merger Sub or, to the Knowledge of Parent, any other party thereto, (2) to the Knowledge of Parent, result in a failure of any condition to the Financing, or (3) to the Knowledge of Parent, otherwise result in any portion of the Financing being unavailable at the Closing. As of the date hereof, and other than as set forth on Section 4.5 of the Parent Disclosure Letter, there are no side letters or other agreements, Contracts or arrangements to which Parent or any of its Affiliates is a party related to the funding of the full amount of the Financing that could materially and adversely affect the availability of the Financing.

4.6 Vote/Approval Required. No vote or consent of the holders of any class or series of capital stock of Parent is necessary to approve this Agreement or the Merger or the other transactions contemplated hereby. The vote or consent of Parent as the sole stockholder of Merger Sub (which shall have occurred prior to the Effective Time) is the only vote or consent of the holders of any class or series of capital stock of Merger Sub necessary to approve this Agreement and the Merger.

4.7 SEC Reports.

(a) Parent has filed all required forms, reports and documents with the SEC since January 1, 2012 ("Parent SEC Documents"), and each of such Parent SEC Documents complied at the time of filing (or if amended or superseded by a filing prior to the date of this Agreement, then as of the date of such filing) in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, as in effect on the dates such forms, reports and documents were filed. None of the Parent SEC Documents contained when filed any untrue statement of a material fact or omitted to state a material fact required to be stated or incorporated by reference therein or necessary in order to make the statements therein in light of the circumstances under which they were made not materially misleading, except to the extent superseded or amended by a Parent SEC Document filed subsequently and prior to the date hereof. The consolidated financial statements of Parent included in the Parent SEC Documents (i) have been prepared in all material respects in accordance with GAAP and (ii) fairly present in all material respects the consolidated financial position of Parent and its consolidated Subsidiaries as of the dates thereof and their consolidated results of operations and cash flows for the periods then ended (except in each case as may be indicated in the notes thereto and except that unaudited financial statements are subject to normal year-end adjustments that did not have and would not, individually or in the aggregate, have a Parent Material Adverse Effect, and do not contain footnotes to the extent permitted by Form 10-Q of the Exchange Act).

(b) Parent has established and maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Such disclosure controls and procedures are designed to ensure that information relating to Parent, including its consolidated Subsidiaries, required to be disclosed in Parent's periodic and current reports under the Exchange Act, is made known to Parent's chief executive officer and its chief financial officer by others within those entities to allow timely decisions regarding required disclosures as required under the Exchange Act. The chief executive officer and chief financial officer of Parent have evaluated the effectiveness of Parent's disclosure controls and procedures and, to the extent required by applicable securities Law, presented in any applicable Parent SEC Document that is a report on Form 10-K or Form 10-Q of the Exchange Act, or any amendment thereto, its conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by such report or amendment based on such evaluation.

(c) Parent and its Subsidiaries have established and maintain a system of internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) sufficient to provide reasonable assurance regarding the reliability of Parent's financial reporting and the preparation of the Parent's financial statements for external purposes in accordance with GAAP. Parent has disclosed, based on its most recent evaluation of Parent's internal control over financial reporting prior to the date hereof, to Parent's auditors and audit committee (i) any significant deficiencies and material weaknesses in the design or operation of Parent's internal control over financial reporting which are reasonably likely to adversely affect Parent's ability to record, process, summarize and report financial information and (ii) any fraud, whether or not

material, that involves management or other employees who have a significant role in Parent's internal control over financial reporting.

4.8 Absence of Certain Changes or Events. Except as and to the extent set forth in Section 4.8 of the Parent Disclosure Letter and before the date hereof, since the date of the latest balance sheet included in the Parent SEC Documents and through the date of this Agreement: (a) the Parent and its Subsidiaries have conducted their respective businesses only in the ordinary course consistent with past practice; (b) there has not been any change, event or development or prospective change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a Parent Material Adverse Effect; and (c) neither the Parent nor any of its Subsidiaries has suffered any loss, damage, destruction or other casualty affecting any of its material properties or material assets, whether or not covered by insurance.

4.9 Compliance with Laws and Permits. The Parent and each of its Subsidiaries have in effect all permits, licenses, variances, exemptions, authorizations, operating certificates, franchises, orders, approvals and similar authorizations (collectively, "Parent Permits") of all Governmental Authorities necessary for them to own, lease or operate their properties and assets and to carry on their businesses and operations as now conducted, except where the failure to maintain in effect such Parent Permits would not reasonably be expected to have a Parent Material Adverse Effect, and no suspension, cancellation or other lapse of any such Parent Permit is pending by or at the behest of any Governmental Authority or other Person, or to the knowledge of the Parent, threatened. All of such Parent Permits are currently in full force and effect, except where the failure to maintain such Parent Permits in full force and effect would not reasonably be expected to have a Parent Material Adverse Effect. Since January 1, 2012, neither Parent nor any of its Subsidiaries has been in violation of (i) any Parent Permits or (ii) any applicable Law, except for such violations as would not reasonably be expected to have a Parent Material Adverse Effect.

4.10 Intellectual Property. Except as and to the extent set forth in Section 4.10 of the Parent Disclosure Letter, Parent and its Subsidiaries own or possess adequate rights to use all material Intellectual Property necessary for the conduct of their respective businesses, and Parent has not received any written notice or claim asserting that any Intellectual Property owned by Parent infringes, misappropriates, dilutes or violates any Intellectual Property owned by any third party or constitutes unfair competition or unfair trade practices under any applicable Law, except for such matters as would not reasonably be expected to have a Parent Material Adverse Effect.

4.11 Taxes. To the Knowledge of Parent, and except as would not reasonably be expected to result in a Parent Material Adverse Effect, (a) each of Parent and its Subsidiaries (i) has timely filed (or has had timely filed on its behalf) all material Tax Returns required to be filed by it (after giving effect to any filing extension properly granted by a Governmental Authority having authority to do so) and all such Tax Returns are accurate and complete in all material respects or has established adequate reserves with respect to Taxes due and payable pursuant to such Tax Returns, (ii) has paid (or Parent has paid on its behalf) or established adequate reserves for all material Taxes of it (whether or not shown on any Tax Return) that are due and payable, (b) neither Parent nor any Subsidiary of Parent has been notified of any pending audit, examination, or other proceeding in

respect of material Taxes, (c) no requests for waivers of the time to assess any such Taxes have been agreed to or are pending, (d) no claim has been made by any Tax authority, in a jurisdiction where Parent or any Subsidiaries of Parent do not file a Tax Return, stating that any such entity is or may be subject to taxation by that jurisdiction for Taxes that would be covered by the subject of such Tax Return, (e) there are no Liens for Taxes (other than for current Taxes not yet due and payable or Taxes the validity or amount of which being contested in good faith by appropriate proceedings) on any assets of Parent or any Subsidiary of Parent and (f) neither Parent nor any of its Subsidiaries has engaged in any transaction that has given rise to or would reasonably be expected to give rise to a disclosure obligation as a "listed transaction" under Section 6011 of the Code and the regulations promulgated thereunder.

4.12 Brokers. Except for Canaccord Genuity Inc., no broker, investment banker, financial advisor or other Person, the fees and expenses of which will be paid by the Parent, is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Parent or any of its Affiliates.

4.13 Issuance of Parent Common Stock. The shares of Parent Common Stock to be issued pursuant to Article II of this Agreement upon consummation of the Merger (the "Share Issuance") have been duly authorized and when issued in accordance with the terms of this Agreement will have been validly issued and will be fully paid and non-assessable and the issuance thereof will not be subject to any preemptive rights. The Share Issuance does not require the vote or approval of the shareholders of Parent under the rules of NYSE.

4.14 Private Placement. Assuming the accuracy of the factual representations made in the Joinder Agreements and in the Accredited Investor Questionnaires delivered to Parent by each holder of Preferred Stock that is an Accredited Investor, no registration under the Securities Act is required for the offer and issuance of the Parent Common Stock by Parent as contemplated hereby. The issuance and sale of the Parent Common Stock hereunder does not and will not contravene the rules and regulations of the NYSE.

4.15 Registration Rights. Parent has not granted or agreed to grant to any Person any rights (including "piggy back" registration rights) to have any securities of the Parent registered with the SEC or any other governmental authority that would be superior to or otherwise conflict with the registration rights granted by Parent pursuant to the Registration Rights Agreement.

4.16 Listing Requirements. Parent's Common Stock is registered pursuant to Section 12(b) of the Exchange Act and the Parent Common Stock to be issued hereunder will be listed on the NYSE upon issuance thereof, and Parent has not taken any action designed to result in the termination of the registration of Parent's Common Stock under the Exchange Act or the delisting of Parent's Common Stock from the NYSE. Parent is in compliance with the applicable listing rules of the NYSE and has not received any notice from the NYSE asserting any non-compliance with such rule which has not been resolved prior to the date of this Agreement.

4.17 Accountants; No Disagreements with Accountants. Parent's accounting firm is a registered public accounting firm as required by the Exchange Act. There are no disagreements presently existing between Parent or any of its Subsidiaries and its independent auditing firms that would be required to be publicly disclosed.

4.18 Application of Takeover Protections. Parent and its board of directors have taken all necessary action, if any, in order to render inapplicable any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under Parent's certificate of incorporation (or similar charter documents) or the laws of its state of incorporation that is or would become applicable as a result of the Parent's issuance of the Parent Common Stock issuable pursuant to this Agreement.

4.19 Operations of Merger Sub. Merger Sub was formed solely for the purpose of engaging in the Merger. Merger Sub has engaged in no other business activities and has conducted its operations only as contemplated by this Agreement.

4.20 Information Statements. None of the information supplied or to be supplied by or on behalf of Parent or Merger Sub specifically for inclusion in the Information Statements or any other similar document provided to Holders in connection with the transactions contemplated hereby, including without limitation information provided pursuant to Section 280G of the Code as it relates to payments by Parent, will, at the time it is first published, sent or given to the Stockholders, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading. Notwithstanding the foregoing, Parent makes no representation or warranty with respect to statements included or incorporated by reference in the Information Statements based on information supplied by or on behalf of the Company or its Subsidiaries specifically for inclusion in the Information Statements.

4.21 Exclusivity of Representations and Warranties. Except as expressly set forth in this Agreement, neither Parent, Merger Sub, nor any of their respective Affiliates or representatives is making any representation or warranty on behalf of Parent or Merger Sub of any kind or nature whatsoever, oral or written, express or implied (including, but not limited to, any relating to financial condition, results of operations, prospects, assets or liabilities of the Parent or Merger Sub), and, except as expressly set forth in this Agreement, each of Parent and Merger Sub hereby disclaims any and all such other representations and warranties and any liability based thereon; provided, however, that with respect to claims for Parent-Related Fraud, the limitation with respect to the representations and warranties on behalf of Parent and the disclaimer with respect representations and warranties and any liability based thereon that are set forth in the preceding portion of this Section 4.21 or elsewhere in this Agreement shall not apply, shall have no effect and shall be disregarded as if it had been deleted from this Agreement.

Article V

COVENANTS

5.1 Access to Information and Facilities. From the date of this Agreement until the earlier of the Effective Time or the date this Agreement is terminated (the "Interim Period"), the Company shall, and shall cause its Subsidiaries to, give Parent and Merger Sub and Parent's and Merger Sub's representatives reasonable access during normal business hours to the offices, facilities, books and records of the Company and each of its Subsidiaries, and shall make the officers and employees of the Company and each of its Subsidiaries available to Parent and Merger Sub and their representatives, in a manner so as to not unreasonably interfere with the normal business operations of the Company or its Subsidiaries, as Parent, Merger Sub and their representatives shall from time to time reasonably request; provided, however, that nothing herein shall require the Company to provide access or to disclose any information to Parent if such access or disclosure would be in violation of applicable Laws (provided that the Company make alternative arrangements, to the extent permissible, to provide such access or disclosure in a way that does not violate applicable Laws). If any of the information or material furnished pursuant to this Section 5.1 includes material or information subject to the attorney-client privilege, work product doctrine or any other applicable privilege concerning pending or threatened Litigation or governmental investigations, each party hereto understands and agrees that the parties hereto have a commonality of interest with respect to such matters and it is the desire, intention and mutual understanding of the parties hereto that the sharing of such material or information is not intended to, and shall not, waive or diminish in any way the confidentiality of such material or information or its continued protection under the attorney-client privilege, work product doctrine or other applicable privilege. All such information provided by the Company that is entitled to protection under the attorney-client privilege, work product doctrine or other applicable privilege shall remain entitled to such protection under these privileges, this Agreement and the joint defense doctrine. Any information disclosed pursuant to this Section 5.1 shall be subject to the terms of the Confidentiality Agreements.

5.2 Preservation of Company Business. During the Interim Period, except (a) as required or expressly permitted by this Agreement, (b) with the prior written consent of Parent (which consent shall not be unreasonably withheld, conditioned or delayed), (c) as required by applicable Law, or (d) as set forth in Section 5.2 of the Company Disclosure Letter, the Company shall, and shall cause each of its Subsidiaries to, be operated only in the ordinary course of business and consistent with past practice, and preserve intact their respective businesses and the assets, including, but not limited to: (1) maintaining its material assets and properties in the ordinary course of business in substantially the same manner historically maintained, reasonable wear and tear, damage by fire and other casualty excepted; (2) promptly repairing, restoring or replacing all material assets and properties in the ordinary course of business consistent with past practice; (3) upon any damage, destruction or loss to any of its material assets or properties, applying any and all insurance proceeds, if any, received with respect thereto to the prompt repair, replacement and restoration thereof as reasonably necessary for the operation of the business of the Company and its Subsidiaries, subject to the terms of any Leases and agreements governing the Indebtedness of the Company and its Subsidiaries; (4) complying in all material respects with all applicable Laws; (5) taking all actions necessary to be in compliance in all material respects with all Material Contracts and to maintain the effectiveness of all Permits; (6) notifying Parent in writing of the commencement of any Litigation by or against the Company or any of its Subsidiaries; and (7) paying all accounts payable and pursuing collection of its accounts receivable in the ordinary course

of business, consistent with past practices. Furthermore, during the Interim Period, the Company shall not, and shall cause its Subsidiaries not to, except (i) as required or expressly permitted by this Agreement, (ii) with the prior written consent of Parent (which consent shall not be unreasonably withheld, conditioned or delayed, except as provided in Section 5.2(k)), (iii) as required by applicable Law, or (iv) as set forth in in one or more corresponding subsections of Section 5.2 of the Company Disclosure Letter:

(a) amend or otherwise change their respective Organizational Documents;

(b) sell, lease, transfer, license, assign or otherwise dispose of any asset, other than the commercial sale of inventory on arm's length terms in the ordinary course of business consistent with past practice;

(c) (i) grant any current or former director, officer, employee or independent contractor of the Company or its Subsidiaries any increase in compensation, bonus or other benefits, or any such grant of any amount of any type of compensation or benefits to any current or former director, officer, employee or independent contractor of the Company or its Subsidiaries, or pay any bonus of any kind or amount to any current or former director, officer, employee or independent contractor, (ii) grant any current or former director, officer, employee or independent contractor of the Company or its Subsidiaries any severance, change in control or termination pay, or modifications thereto or increases therein, (iii) grant or amend any equity or equity-based award (including stock options, stock appreciation rights, performance units, restricted stock or other stock-based or stock-related awards or the removal or modification of any restrictions in any Benefit Plan or awards made thereunder) except as required to comply with any applicable Law or any Benefit Plan in effect as of the date hereof, (iv) adopt or enter into any collective bargaining agreement or other labor union contract, (v) take any action to accelerate the vesting or payment of any compensation or benefit under any Benefit Plan, or (vi) adopt any new Benefit Plan or amend or modify or terminate any existing Benefit Plan, in each case for the benefit of any current or former director, officer, employee or independent contractor of the Company or its Subsidiaries, other than as required by applicable Law; provided, however, that the foregoing provisions of clause (vi) shall not apply to any "at will" offer letters or employment agreements with employees hired after the date hereof in the ordinary course of business consistent with past practice;

(d) except for the issuance of shares of Common Stock upon exercise of Options outstanding as of the date hereof in accordance with the terms thereof, issue, sell or grant options, warrants or rights to purchase or subscribe to, enter into any arrangement or contract with respect to the issuance or sale of, or redeem, repurchase or otherwise acquire, any shares of capital stock of the Company or any Subsidiary or make any changes (by split, combination, reorganization, reclassification or otherwise) in the capital structure of the Company or any of its Subsidiaries;

(e) incur, create, assume or otherwise become liable for, any Indebtedness, or amend, modify or refinance any of the same, other than borrowings and other obligations under existing credit facilities of the Company and its Subsidiaries to fund working capital expenses of, and issue letters of credit for the account of, the Company and its Subsidiaries in the ordinary course of business consistent with past practice;

(f) create or incur any Lien on any assets of the Company or any of its Subsidiaries, other than Permitted Liens;

(g) declare, set aside or pay any dividend or other distribution (whether in cash, assets, capital stock or otherwise) with respect to the capital stock of the Company;

(h) split, combine, subdivide or reclassify any of the capital stock, other equity interests or securities, or securities convertible into or exchangeable or exercisable for capital stock or other equity interests or securities, in each case of the Company or any of its Subsidiaries, or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for the capital stock, other equity interests or securities of the Company of any of its Subsidiaries;

(i) repurchase, redeem, or otherwise acquire, or offer to repurchase, redeem or otherwise acquire, any capital stock or other equity interests or securities of the Company or any of its Subsidiaries, or any securities convertible into or exchangeable or exercisable for any such capital stock, equity interests or securities, or any warrants, calls, options or other rights to acquire any such capital stock, equity interests or securities, other than the repurchase of unvested shares of Common Stock from terminated service providers;

(j) merge or consolidate with any other Person or acquire a material amount of stock or assets of any other Person or effect any business combination, recapitalization or similar transaction (other than the Merger);

(k) except in the ordinary course of business consistent with past practice, (i) enter into, transfer or terminate, or materially modify or amend, or (ii) release, assign or otherwise change any material rights under or (iii) waive any material right under or discharge any other party of any material obligation under, any Material Contract; provided, however, that neither the Company nor or any of its Subsidiaries shall modify or enter into any new distribution agreement, even if in the ordinary course of business consistent with past practice, without Parent's prior written consent, which may be withheld by Parent for any reason in its sole discretion;

(l) make any loan, advance or capital contribution to or investment in any Person, other than loans or advances by any Subsidiary of the Company to another Subsidiary of the Company, in the ordinary course of business consistent with past practice;

(m) acquire or dispose of any real property or any direct or indirect interest in any real property;

(n) make any material change to its accounting methods, policies or practices with respect to the maintenance of books of account and records, except as required by GAAP or applicable Law;

(o) (i) make, change or revoke any material Tax election, (ii) change any Tax accounting period or any material method of Tax accounting, (iii) amend in any material respect any Tax Return, (iv) enter into any "closing agreement" within the meaning of Section 7121(a) of the

Code (or any similar provision of state, local or foreign Law) or other material agreement with any Taxing Authority or request any ruling from any Taxing Authority that would have binding effect on the Company or any of its Subsidiaries after the Closing, (v) settle or compromise any material Tax claim or Tax Proceeding or surrender any right to claim a material Tax refund, offset or other reduction in Tax liability, (vi) enter into any Tax sharing, allocation, indemnity or similar agreement or arrangement (other than customary provisions in commercial arrangements entered into in the ordinary course of its business and the primary purpose of which is not related to Taxes) or (vii) consent to any extension or waiver of any statute of limitations or period for assessment or collections of any material Taxes;

(p) make any capital expenditures or commitments for capital expenditures in excess of $20,000 individually or in excess of $50,000 in the aggregate, except as set forth in Section 5.2(p) of the Company Disclosure Letter;

(q) except as required by applicable Law or judgment of a court of competent jurisdiction, (i) pay, discharge, settle or satisfy any claims, liabilities or obligations (whether absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction in the ordinary course of business consistent with past practice or as required by their terms as in effect on the date of this Agreement of claims, liabilities or obligations reflected or reserved against in the Latest Company Balance Sheet (for amounts not in excess of such reserves), (ii) cancel or materially modify any Indebtedness or (iii) waive, release, grant or transfer any right of material value;

(r) commence any Litigation (other than as a result of Litigation commenced against the Company or any of its Subsidiaries), or compromise, settle or agree to settle any Litigation (including any relating to this Agreement or the transactions contemplated hereby);

(s) adopt or enter into a plan or agreement of complete or partial liquidation or dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of the Company or any of its Subsidiaries (other than the Merger);

(t) fail to keep in force materially relevant insurance policies or replacement or revised provisions regarding insurance coverage with respect to the assets, operations and activities of the Company and or any of its Subsidiaries substantially equivalent to those currently in effect);

(u) renew or enter into any non-compete, exclusivity, non-solicitation or similar agreement that would restrict or limit, in any material respect, the operations of the Company or any of its Subsidiaries;

(v) enter into any new line of business outside of its existing businesses;

(w) materially modify the standard warranty terms for products sold by the Company or any of its Subsidiaries or materially amend or modify any product warranties in effect as of the date hereof in any manner that is adverse to the Company or any of its Subsidiaries;

(x) (i) allow the Company's or any of its Subsidiaries' trade secrets or other confidential information relating to the Company's or any of its Subsidiaries' existing products or products currently under development and other material trade secrets to be disclosed (other than under appropriate non-disclosure agreements and other than publication of patent applications through prosecution); or (ii) allow the Company's or any of its Subsidiaries' Intellectual Property rights relating to the Company's or any of its Subsidiaries' existing products or products currently under development to be abandoned, or otherwise to lapse or become unavailable to the Company or any of its Subsidiaries on the same terms and conditions as such rights were available to the Company and each of its Subsidiaries as of the date of this Agreement;

(y) knowingly take any action (or omit to take any action) if such action (or omission) could reasonably be expected to result in any condition to the Merger set forth in Articles VI or VII not being satisfied; or

(z) authorize any of, or agree or commit to do any of, the foregoing actions.

5.3 Preservation of Parent Business. During the Interim Period, other than as required or expressly permitted by this Agreement, with the prior written consent of the Company, as required by applicable Law, as set forth in Section 5.3 of the Parent Disclosure Letter, or as would not reasonably be expected to result in a Parent Material Adverse Effect, Parent shall operate, and shall cause its Subsidiaries to be operated, in the ordinary course of business and consistent with past practice, and preserve intact their businesses and their assets. Furthermore, during the Interim Period, Parent shall not, and shall cause its Subsidiaries not to, other than as otherwise required or expressly permitted by this Agreement, with the prior written consent of the Company, as required by applicable Law or as set forth in Section 5.3 of the Parent Disclosure Letter:

(a) amend or otherwise change its Organizational Documents, except as would not reasonably be expected to result in a Parent Material Adverse Effect;

(b) reclassify, split, combine or subdivide the Parent Common Stock, except to the extent that Parent similarly adjusts the Parent Common Stock issuable at the Closing pursuant to this Agreement to reflect any such action;

(c) declare, set aside or pay any dividend or other distribution (whether in cash, assets, capital stock or otherwise) with respect to the Parent Common Stock, except to the extent that Parent sets aside, for payment to the Stockholders at the Closing, a proportionate amount of consideration to be paid in such dividend or distribution to the Stockholders as though they had held the shares of Parent Common Stock at the time that such dividend or distribution was declared, set aside or paid that they will hold after the Closing;

(d) merge or consolidate with any other Person or acquire a material amount of stock or assets of any other Person or effect any business combination, recapitalization or similar transaction (other than the Merger) other than as would not reasonably be expected to result in a Parent Material Adverse Effect;

(e) adopt or enter into a plan or agreement of complete or partial liquidation or dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of the Company or any of its Subsidiaries (other than the Merger), except as would not reasonably be expected to result in a Parent Material Adverse Effect; or

(f) authorize any of, or agree or commit to do any of, the foregoing actions.

5.4 Exclusivity. During the Interim Period, except as otherwise provided herein, the Company and its Affiliates shall not, and shall cause their Subsidiaries and their respective Representatives not to, directly or indirectly, solicit, initiate, knowingly encourage or assist, or respond to the submission of any proposal or offer from any Person relating, with respect to the Company or any of its Subsidiaries, to any (i) liquidation, dissolution or recapitalization, (ii) merger or consolidation, (iii) acquisition or purchase of all or a significant portion of the assets of, or any equity interest in, the Company or any of its Subsidiaries or (iv) similar transaction or business combination (a "Competing Transaction"), nor participate in any or continue any ongoing discussions or negotiations regarding, or furnish to any other Person any information with respect to, or otherwise cooperate in any way with, or assist or participate in, or knowingly facilitate or encourage, any effort or attempt by any Person to pursue or effect a Competing Transaction or enter into any agreement with respect to a Competing Transaction. The Company shall, and shall instruct all Representatives acting on its and its Affiliates' behalf to immediately cease any existing activities, discussions and negotiations with any Persons with respect to any of the foregoing. Immediately upon the commencement of the Interim Period, the Company shall instruct each Person (other than Parent, Merger Sub and their representatives) in possession of confidential information about the Company or any of its Subsidiaries that was furnished pursuant to a confidentiality agreement within the prior twelve (12) months in connection with any actual or potential Competing Transaction or other proposal by such Person to acquire the Company or any of its Subsidiaries (or any portion thereof) to promptly return or destroy all such information, subject to the terms of such confidentiality agreement.

5.4 Efforts; Consents; Updated Financial Statements.

(a) Subject to the terms and conditions hereof, each party hereto shall use reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary, proper or advisable under applicable Law to consummate and make effective the transactions contemplated hereby as promptly as practicable, including using reasonable best efforts to obtain or make all necessary or appropriate filings required under applicable Law and to lift any injunction or other legal bar to the consummation of the transactions contemplated by this Agreement as promptly as practicable after the date of this Agreement. None of the parties shall knowingly take or cause any action which such party reasonably expects is likely to materially delay or prevent consummation of the transactions contemplated by this Agreement.

(b) The Company shall use commercially reasonable efforts to obtain any consents required pursuant to the Material Contracts in connection with the consummation of the transactions contemplated by this Agreement, and Parent shall use commercially reasonable efforts to cooperate with the Company in such efforts. Any amounts incurred by the Company or its Subsidiaries or

reasonably incurred by Parent, in each case pursuant to the terms of existing agreements, to obtain consents set forth on Section 2.2(b)(vii) of the Company Disclosure Letter shall be Transaction Costs.

(c) Prior to the Closing the Company will use commercially reasonable efforts to cooperate with Parent in, and following the Closing Parent will use commercially reasonable efforts to make, any further necessary revisions to the Company Financial Statements (and any financial statements delivered pursuant to the following paragraph) that are necessary to ensure that such financial statements meet the requirements of Regulation S-X under the Exchange Act as required to file the Company Financial Statements in a Current Report on Form 8-K and in a Registration Statement on Form S-3 and preliminary and final prospectuses included therein necessary for Parent to register the shares of Parent Common Stock issued in connection with the Merger pursuant to the terms of the Registration Rights Agreement.

(d) If the Closing does not occur on or prior to January 31, 2016, the Company shall use reasonable efforts to prepare the audited consolidated financial statements for the Company and its Subsidiaries for the fiscal year ended December 31, 2015 that meet the requirements of Regulation S-X under the Exchange Act, such that the foregoing financial statements are made available to Parent in form and substance sufficient for Parent, using reasonable efforts after the Closing, to file an amendment to Current Report on Form 8-K with respect to the Merger within 70 days following the Closing; provided, however, that, for the avoidance of doubt, the covenant to use reasonable efforts to prepare such financial statements shall not require completion of such financial statements prior to the Closing, but only that the Company shall be required to use its reasonable efforts during the relevant period to ensure that such financial statements are in such a state that Parent can, using reasonable and ordinary course commercial efforts, complete such financial statements within the requisite time period for filing following the Closing.

5.6 Section 280G. The parties hereto agree to use their reasonable best efforts (and take all reasonable actions as may be required) to minimize the amount of "parachute payments" (within the meaning of Section 280G of the Code and the regulations thereunder) with respect to the Merger. Prior to the Closing Date, the Company shall submit to a vote of the Stockholders of the Company for their determination all payments or benefits that in the absence of such a vote could reasonably be viewed as "parachute payments" to the extent such payments exceed 2.99 times the applicable "disqualified individual's" "base amount" (each within the meaning of Section 280G of the Code and the regulations thereunder) (such excess above the base amount, the "Excess Amounts") made to any such disqualified individuals with respect to the Company and its Subsidiaries (the "280G Vote"). Prior to the 280G Vote, the Company and its Subsidiaries shall obtain waivers as to the right to receive or retain Excess Amounts from the applicable disqualified individuals. Such 280G Vote shall be carried out pursuant to the procedures and requirements of Section 280G(b)(5)(B) of the Code and the regulations thereunder, including disclosure satisfying the requirements of Section 280G(b)(5)(B)(ii) of the Code and any regulations promulgated thereunder, which disclosure shall be distributed in a manner consistent with Section 280G of the Code to all Stockholders eligible to participate in the 280G Vote.

5.7 Confidentiality; Public Announcements.

(a) The parties hereto acknowledge that the Company and Parent have previously executed the Confidentiality Agreements, which will continue in full force and effect in accordance with their respective terms and the provisions of which are by this reference incorporated herein; provided, however, that the Company and Parent hereby amend the 2013 Confidentiality Agreement to extend the term of the 2013 Confidentiality Agreement to December 31, 2016 and to include the following sentence "Nothing in this Confidentiality Agreement shall prohibit Bidder from making public statements, disclosures or filings, including the filing of agreements or other documents as exhibits to filings with the SEC, which are required by Applicable Law, SEC regulations or any listing agreement with any national securities exchange or the Financial Industry Regulatory Authority, Inc., or are otherwise required to avoid a misstatement or omission under Rule 10b-5 of the Securities Exchange Act of 1934, as amended." The Company acknowledges that Parent Common Stock is publicly traded and that any information obtained by the Company regarding Parent could be considered to be material non-public information within the meaning of federal and state securities Laws. Accordingly, the Company acknowledges and agrees not to engage in any transactions in Parent Common Stock in violation of applicable insider trading Laws.

(b) Parent and the Company will jointly issue the press release attached hereto as Exhibit I promptly following the effectiveness of this Agreement; provided, however, that Parent may delay the issuance of the press release until the Significant Stockholder Written Consent is delivered to Parent. The Company shall not, without the prior written consent of Parent, issue any press release or make any public statement at any time with respect to the transactions contemplated by this Agreement, except as the Company is required to by Applicable Law.

5.8 Indemnification of Directors and Officers.

(a) For six (6) years from and after the Effective Time, Parent shall cause the Surviving Company to indemnify and hold harmless the current officers and directors of the Company and of its Subsidiaries (the "Covered Persons") to the maximum extent covered by such officers' and directors' indemnification and exculpation in the Company's Organizational Documents and indemnification agreements between such persons and the Company, in each case, that have been delivered to Parent and as in effect immediately prior to the consummation of the Merger (including fulfilling and honoring all requirements of the Company under such agreements; provided, however, that neither Parent nor the Surviving Company shall have any obligation to fulfill or honor provisions under any agreement that would require the Company or any of its Subsidiaries to provide indemnification to any Person in such Person's capacity as a stockholder of the Company), for acts or omissions occurring at or prior to the Effective Time, and for such period of time Parent shall not, and shall not permit the Surviving Company or its Subsidiaries to, amend, repeal or modify any provision in the Surviving Company's or any of its Subsidiaries' Organizational Documents relating to the exculpation or indemnification of the Covered Persons as in effect in the Company's or any of its Subsidiaries' Organizational Documents immediately prior to the Effective Time, except as required by applicable Laws. If the Surviving Company or any of its successors or assigns shall: (x) consolidate with or merge into any other corporation or entity and

shall not be the continuing or surviving corporation or entity of such consolidation or merger; or (y) transfer all or substantially all of its properties and assets to any Person, then and in each such case, to the extent necessary, proper provisions shall be made so that the successors and assigns of the Surviving Company shall assume all of the obligations set forth in this Section 5.8(a). No Covered Person shall have any right of contribution, indemnification or right of advancement from Parent, the Surviving Company or any of their successors with respect to any Loss claimed by any of the Indemnified Parties against such Covered Person in his or her capacity as a Holder pursuant to this Agreement. The foregoing will not in any way limit any Covered Person's rights to coverage under the Runoff D&O Insurance.

(b) Prior to the Effective Time, the Company and its Subsidiaries shall purchase (at Parent's expense) run-off directors' and officers' liability insurance that is dedicated to the Company and its Subsidiaries and not shared with any other entity that is unrelated to the Company and its Subsidiaries, and which shall provide the Covered Persons with coverage following the Effective Time, and have other terms not materially less favorable on the whole to the Covered Persons than the directors' and officers' liability insurance coverage presently maintained by the Company (the "Runoff D&O Insurance"); provided that the aggregate cost for such insurance coverage provided by such Runoff D&O Insurance shall not exceed two hundred percent (200%) of the annual premium currently paid as of the date hereof by the Company and its Subsidiaries for such insurance without Parent's prior written consent. If the cost of the Runoff D&O Insurance would require an expenditure that exceeds such amount and Parent does not so consent, the Company shall obtain policies with the greatest coverage available for a cost not exceeding such maximum amount.

(c) This covenant is intended to be for the benefit of, and shall be enforceable by, each of the Covered Persons and each of the Parent Indemnitees, and their respective heirs and legal representatives, it being expressly agreed that such Persons shall be third party beneficiaries of this Section 5.8. The rights to indemnification and advancement and the other rights provided for herein shall not be deemed exclusive of any other rights to which such a Person is entitled, whether pursuant to applicable Laws, contract or otherwise.

5.9 Information Statements and Appraisal Notice. No later than two (2) Business Days after the date of the execution of this Agreement, the Company shall prepare and mail (i) the Information Statements to all Stockholders of record and (ii) an appraisal notice pursuant to Section 262 of the DGCL to any holder of Company Capital Stock that has not consented to this Agreement and the Merger that complies with applicable Laws, in a form reasonably acceptable to Parent.

5.10 Financing. Parent and Merger Sub shall use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary, proper or advisable to arrange and obtain the Financing described in the Debt Commitment Letter at or prior to the Closing on the terms and conditions described therein including using reasonable best efforts (i) to maintain in effect the Debt Commitment Letter until the consummation of the transactions contemplated hereby, (ii) to negotiate and enter into definitive agreements with respect to the Debt Commitment Letter (collectively, the "Financing Agreements") on the terms and conditions

contained in the Debt Commitment Letter or, if available, on other terms (to the extent they are less favorable to Parent) that are acceptable to Parent and would not adversely affect the ability of Parent and Merger Sub to consummate the transactions contemplated herein and (iii) to satisfy on a timely basis all conditions to funding in the Debt Commitment Letter (other than any condition where the failure to be so satisfied is a direct result of the Company's failure to comply with its obligations under Section 5.11), and to consummate the Financing at or prior to the Closing. Parent and Merger Sub shall not agree to any amendments or modifications to, or grant any waivers of, any condition or other provision under the Debt Commitment Letter without the prior written consent of the Company to the extent such amendments, modifications or waivers would reasonably be expected to (A) reduce the aggregate amount of cash proceeds available from the Financing to fund the amounts required to be paid by Parent or Merger Sub under this Agreement below the amount of Parent's cash and cash equivalents and Cash on Hand at the Company which, in the aggregate, is sufficient for Merger Sub and the Surviving Company to, on and after the date of the Closing, pay the aggregate Common Per Share Cash Amount, or (B) impose new or additional conditions or otherwise be reasonably likely to prevent or delay or impair the ability of Parent or Merger Sub to consummate the Merger and the other transactions contemplated by this Agreement or adversely impact the ability of Parent or Merger Sub to enforce its rights (including through litigation) against the other parties to the Debt Commitment Letter or the Financing Agreements. Without limiting the generality of the foregoing, Parent and Merger Sub shall give the Company prompt notice (x) of any actual or alleged breach or default by any party to the Debt Commitment Letter or the Financing Agreements, (y) of the receipt of any written notice or other written communication from any Financing Source with respect to any actual or alleged breach, default, termination or repudiation by any party to the Debt Commitment Letter or the Financing Agreements or any provisions of the Debt Commitment Letter or any Financing Agreement, or (z) if Parent and Merger Sub determine in good faith that they will not be able to satisfy any of the obligations to, or otherwise be able to obtain, some or any portion of the Financing prior to the Termination Date. Upon the occurrence of any circumstance referred to in clause (x), (y) or (z) of the immediately preceding sentence or if any portion of the Financing otherwise becomes unavailable, and such portion is reasonably required to fund the cash portion of the Estimated Purchase Price, Parent and Merger Sub shall use their reasonable best efforts to arrange and obtain in replacement thereof alternative financing from the same or alternative sources in an amount that, when combined with the amount of Parent's cash and cash equivalents, is sufficient for Parent, Merger Sub and the Surviving Company to, on and after the date of the Closing, pay the Estimated Purchase Price on terms and conditions not materially less favorable, in the aggregate, to the Company or Parent than the terms set forth in the Debt Commitment Letter (including the flex provisions thereof). Any reference in this Agreement to (1) the "Financing" shall also include any such alternative financing, (2) the "Debt Commitment Letter" shall also include the definitive agreements with respect to any such alternative financing, (3) the "Financing Agreements" shall also include the definitive agreements with respect to any such alternative financing and (4) the "Financing Sources" shall also include the financing institutions contemplated to provide any such alternative financing.

5.11 Financing Assistance. The Company shall, and shall cause its Subsidiaries to, and shall use commercially reasonable efforts to cause its and its Subsidiaries' officers, directors, employees, agents, and other representatives (collectively, "Representatives") to, provide all

cooperation that is reasonably requested by Parent to assist Parent and Merger Sub in the arrangement and consummation of the financing contemplated by the Debt Commitment Letter for the purpose of funding the payment of the Purchase Price (the "Financing"), including but not limited to (i) promptly furnishing to Parent and the Financing Sources such financial, marketing and other information and materials relating to the Company and each of its Subsidiaries that is customary or necessary for the completion of the Financing, or for the preparation of offering or information documents to be used in connection with the same; (ii) cooperating with the marketing efforts of Parent and the Financing Sources, including participation in meetings with, and delivering management reports to, the Persons acting as lead arrangers or agents for the prospective lenders and purchasers of the Financing, and attending presentations, roadshows, due diligence sessions, drafting sessions and sessions with rating agencies in connection with the Financing; (iii) delivering (A) audited consolidated balance sheets and related audited statements of comprehensive income (loss), stockholders' equity and cash flows of the Company and its Subsidiaries (the "Audited Annual Financials") for each of the two most recently ended fiscal years that have ended at least ninety (90) days prior to the Closing Date, and (B) unaudited consolidated balance sheets and related unaudited statements of comprehensive income (loss) and cash flows of the Company and its Subsidiaries (the "Quarterly Financials") for each fiscal quarter beginning with the quarter ended September 30, 2015 and for any subsequent fiscal quarter that ends forty-five (45) or more calendar days prior to the Closing Date; (iv) causing the Company's independent accountants to provide reasonable assistance to Parent consistent with their customary practice (including to consent to the use of their audit reports on the consolidated financial statements of the Company and its Subsidiaries in any materials relating to the Financing); (v) using reasonable best efforts to assist Parent in connection with the preparation of pro forma financial information and financial statements necessary or reasonably required by the Financing Sources; (vi) upon reasonable request of Parent and to the extent the same become necessary or advisable in connection with the Financing, assisting Parent to obtain waivers, consents, estoppels and approvals from other parties to material leases, encumbrances and contracts relating to the Company and its Subsidiaries (including by arranging discussions among Parent, the Company and the Financing Sources and their respective representatives with other parties to such material leases, encumbrances and contracts; provided, that such documents will not take effect until, and will be conditioned upon the occurrence of, the Effective Time); and (vii) to the extent that the Company or any of its Subsidiaries are to be party to the Financing following the occurrence of the Effective Time, (A) using reasonable best efforts to obtain customary legal opinions and executing and delivering customary closing certificates and documents at or prior to the Closing as may be reasonably requested by Parent in connection with the Financing; provided, that such documents will not take effect until, and will be conditioned upon the occurrence of, the Effective Time; (B) using reasonable best efforts to facilitate the execution and delivery at or prior to the Closing of definitive documents (including loan agreements, customary guarantee documentation (if applicable) and other applicable loan documents) related to the Financing; provided, that such documents will not take effect until, and will be conditioned upon the occurrence of, the Effective Time; and (C) to the extent requested reasonably in advance, providing to the Financing Sources, at least five (5) Business Days prior to the Closing Date, all customary and reasonable documentation and other information required by regulatory authorities with respect to the Company and each of its Subsidiaries under applicable "know your customer" and anti-money laundering rules and regulations, including without limitation the USA PATRIOT Act of 2001, as amended. Nothing in

this Section 5.11 shall require such cooperation to the extent it would (i) require the Company to agree to pay any fees, reimburse any expenses or give any indemnities, (ii) require the Company to incur any other liability or obligation prior to the Effective Time, (iii) cause any representation or warranty in this Agreement to be breached, or (iv) cause any condition to Closing set forth in Article VI to fail to be satisfied or otherwise cause any breach of this Agreement. Parent agrees, promptly upon request, to reimburse the Company and its Subsidiaries for all of their reasonable, documented, out-of-pocket costs, fees and expenses (including fees and disbursements of counsel) actually incurred in connection with the Financing promptly following the incurrence thereof (limited, in the case of any costs, fees and expenses for preparing the consolidated financial statements of the Company and its Subsidiaries described in clause (iii) of the immediately preceding sentence, to the incremental costs, fees and expenses for preparing the Audited Annual Financials and Quarterly Financials in excess of the costs, fees and expenses of preparing the corresponding financial statements of the Company and its Subsidiaries for the most recent fiscal year and most recent fiscal quarter ended prior to the date hereof). The Company, its Affiliates and their respective representatives shall be indemnified and held harmless by Parent for and against any and all liabilities, losses, damages, claims, costs, expenses, interest, awards, judgments and penalties suffered or incurred by them in connection with the arrangement of the Financing (other than arising out of or resulting from Company-Related Fraud, gross negligence of the Company or any of its Subsidiaries or the Company's breach of or failure to perform a covenant in this Agreement or breach or inaccuracy of a representation or warranty of the Company in this Agreement) to the fullest extent permitted by applicable Laws and with appropriate contribution to the extent such indemnification is not available. The Company hereby consents to the use of its and its Subsidiaries' logos in connection with the Financing, provided such logos are used in a customary manner that is not intended to harm or disparage the Company or any of its Subsidiaries or the reputation or goodwill of the Company or any of its Subsidiaries. Notwithstanding anything to the contrary provided herein or in the Confidentiality Agreements, Parent shall be permitted to share all information subject to such agreements with its potential financing sources, subject to customary confidentiality undertakings by such potential financing sources with respect thereto.

5.12 Certain Employment and Benefits Matters.

(a) During the period from the Closing Date until the 12-month anniversary thereof, Parent will, or will cause its Affiliates to, provide to each individual who is employed (including co-employed by the Company and TriNet) by the Company or its Affiliates immediately prior to Closing (the "Company Employees") with base salary or hourly wage rate and bonus opportunities no less favorable than those provided to such Company Employees immediately prior to the Closing Date; notwithstanding the foregoing, Parent or its Affiliates shall have full discretion to terminate the employment of any such Company Employees within such 12-month period for any reason. In addition, with respect to the health and welfare benefit plans provided by TriNet, the Company and its Affiliates to Company Employees in effect as of the Closing Date, Parent or its Affiliates shall use commercially reasonable efforts to continue such health and welfare benefit plans through September 30, 2016, including health flexible spending account plans and existing balances thereunder, and allow for Company Employees' (and their eligible dependents') participation for the remainder of such period ending September 30, 2016 in such plans on the same terms as in effect as

of the Closing Date, provided, however, that in the event that such participation cannot be continued or is discontinued, Parent or one or more of its Affiliates shall use commercially reasonable efforts to facilitate participation by Company Employees (and their eligible dependents) in such health and welfare benefit plans as Parent or such Affiliate makes available to its other U.S. based employees.

(b) Effective as of the Closing, Parent shall, or shall cause its Affiliates to, cause each compensation or employee benefit plan maintained by Parent or any of its Affiliates and in which any Company Employee becomes eligible to participate, to treat the prior service of such Company Employee with any of the Company and its Affiliates as service rendered to Parent or its Affiliates, as the case may be, for purposes of vesting, eligibility and levels of benefits, but not for purposes of vesting under any equity compensation plan, to the extent that such service crediting does not violate any applicable Laws or result in duplication of benefits for the same period of service.

(c) Parent shall, or shall cause its Affiliates to, (i) waive all limitations on health and welfare benefits coverage of any Company Employee and his or her eligible dependents due to pre-existing conditions and/or waiting periods, active employment requirements, and requirements to show evidence of good health under the applicable health and welfare plan of Parent or any of its Affiliates to the extent that such Company Employee and his or her eligible dependents are covered under any Benefit Plan that is a health and welfare benefit plan, and such conditions, periods or requirements are satisfied or waived under such plan immediately prior to the Closing Date and (ii) credit each Company Employee and his or her eligible dependents with all deductible payments, co-payments and co-insurance paid by such Company Employee and his or her covered dependents prior to the Closing Date under any Benefit Plan that is a medical employee benefit plan, for the purpose of determining the extent to which any such Company Employee and his or her dependents have satisfied their deductibles and whether they have reached the out-of-pocket maximums under any medical plan of Parent or any of its Affiliates; provided, however, that such crediting shall only apply with respect to amounts paid by or on behalf of such Company Employee and his or her dependents during the plan year of the Parent's (or Affiliates', as applicable) medical plan in which the Closing Date occurs.

(d) For purposes of determining the number of paid time off ("PTO") days to which each Company Employee shall be entitled during the calendar year in which the Closing Date occurs, Parent shall assume and honor all PTO days accrued or earned but not yet taken by such Company Employee as of the Closing Date.

(e) The Company shall terminate its participation in the TriNet 401(k) Plan (through Transamerica Financial Life Insurance Company) (the "Company 401(k) Plan") prior to the Closing Date and contingent upon the Closing. Parent shall allow each Company Employee who participated in the Company 401(k) Plan as of the date on which the Company's participation in such plan terminated to participate, effective no later than thirty (30) days after the Closing Date, in a defined contribution plan maintained by Parent or any of its Affiliates that is qualified under Section 401(a) of the Code and that includes an arrangement described in Section 401(k) of the Code (the "Parent 401(k) Plan") and to be permitted to elect to make a rollover of such employee's

account balance (including outstanding participants loans, which may be rolled over in kind as long as the entire account balance is rolled over) under the Company 401(k) Plan to an account under the Parent 401(k) Plan.

(f) The provisions of this Section 5.12 are for the sole benefit of the parties to this Agreement and nothing herein, expressed or implied, is intended or shall be construed to confer upon or give to any person (including, for the avoidance of doubt, any Company Employee or other current or former employee of the Company or any of its Affiliates, other than the parties hereto and their respective permitted successors and assigns, any legal or equitable or other rights or remedies (including with respect to the matters provided for in this Section 5.12) under or by reason of any provision of this Agreement. Nothing in this Section 5.12 shall amend, or be deemed to amend (or prevent the amendment or termination of) any Benefit Plan or any compensation or benefit plan of the Company or Parent or any of their respective Affiliates. Except as specifically provided in this Section 5.12, Parent shall be entitled to modify any compensation or benefits provided to, and any other terms or conditions of employment of, any such employees in its absolute discretion.

5.13 Merger Consideration Table. No later than five (5) Business Days prior to the Closing the Company shall deliver to Parent and the Exchange Agent for their review and approval (which approval shall not be unreasonably withheld, conditioned or delayed), the Merger Consideration Table, which shall be deemed final upon approval of the same by Parent and the Exchange Agent. The Company retains responsibility at all times for ensuring the accuracy of such Merger Consideration Table and the review and approval by Parent and the Exchange Agent shall not constitute a representation to any Person by Parent or the Exchange Agent that the information provided by the Company in the Merger Consideration Table is accurate.

5.14 Tax Matters.

(a) Parent shall prepare and file or cause to be filed, subject to the review and reasonable approval of the Stockholders' Representative, all Tax Returns for the Company and each of its Subsidiaries for all periods ending on or prior to the Closing Date that are required to be filed after the Closing Date. All such Tax Returns shall be prepared in good faith in a manner that is consistent with the past custom and practice of the Company and its Subsidiaries, except as required by applicable Laws.

(b) Parent shall prepare or cause to be prepared and file or cause to be filed, subject to the review and reasonable approval of the Stockholders' Representative, any Tax Returns of the Company or any of its Subsidiaries for Tax periods which begin on or before the Closing Date and end after the Closing Date (a "Straddle Period").

(c) In the case of any Straddle Period: (i) in the case of a Tax that is based on net or gross income, the amount of any Taxes of the Company or any of its Subsidiaries for the Pre-Closing Tax Period shall be deemed to be equal to the amount which would be payable if the relevant taxable period ended on the Closing Date, (ii) in the case of a Tax that is based on a specific event or transaction, the amount of any Taxes for the Pre-Closing Tax Period or Post-Closing Tax Period shall be determined based on the actual date of such event or transaction, and (iii) the amount of

other Taxes of the Company or any of its Subsidiaries for a Straddle Period which relate to the Pre-Closing Tax Period shall be deemed to be the amount of such Tax for the entire taxable period multiplied by a fraction, the numerator of which is the number of days in the taxable period ending on the Closing Date and the denominator of which is the number of days in such Straddle Period. Any credits relating to a Straddle Period shall be taken into account as though the relevant taxable period ended on the Closing Date. For any taxable period ending on or prior to the Closing Date, the entire amount of Taxes payable by or on behalf of the Company or any of its Subsidiaries with respect to such period shall be allocable to the Pre-Closing Tax Period. All determinations necessary to give effect to the foregoing allocations shall be made in a manner consistent with the prior practices of the Company or any of its Subsidiaries, as applicable, unless a different treatment is required by applicable Laws.

(d) Parent, the Company and the Stockholders' Representative agree that to the extent permitted by Law, any deductions relating to the payment of bonuses, option cancellation payments, repayment of Indebtedness of the Company or any of its Subsidiaries, any other Transaction Costs or (to the extent complying with the safe harbor set forth in Rev. Proc. 2011-29) success-based fees in respect of the transactions contemplated by this Agreement shall be included as deductions of the Company and its Subsidiaries in the relevant Tax Returns for Tax periods ending on or before the Closing Date. Except to the extent attributable to any Tax attribute generated after the Closing Date or to the extent included as current assets in calculating Working Capital, any refunds (or credits for overpayment) of Taxes, including any interest received from a Taxing Authority thereon, attributable to any Tax period ending on or before the Closing Date of the Company and its Subsidiaries shall be for the account of the Holders (including any refunds that can arise as a result of a change in Law that occurs after the Closing Date but that can affect a Tax period ending on or before the Closing Date, e.g., retroactive changes to depreciation provisions in the Code). Promptly upon the Surviving Company's (or any of its Affiliates' or Subsidiaries') receipt of any such refund (or use of a credit for overpayment), Parent shall pay over, by wire transfer of immediately available funds, any such refund (or the amount of any such credit so used) to the Exchange Agent (in the case of holders of Company Capital Stock) and Parent's or the Surviving Company's payroll administrator (in the case of holders of Company Options and participants in the Transaction Bonus Pool), for further distribution to the Holders in accordance with their Pro Rata Shares and subject to prior compliance with the procedures set forth in Section 2.9. Parent shall take any action reasonably necessary or reasonably requested by the Stockholders' Representative (including filing IRS Form 1139 and any corresponding form for applicable state, local and foreign tax purposes and filing amended Tax Returns to the extent necessary) for the Surviving Company, the Company and any of its Subsidiaries to promptly claim refunds attributable to or with respect to any Tax period ending on or before the Closing Date (including any refunds that can arise as a result of a change in Law that occurs after the Closing Date but that can affect a Tax period ending on or before the Closing Date, e.g., retroactive changes to depreciation provisions in the Code).

(e) All sales, use and transfer taxes, bulk transfer taxes, deed taxes, real property or leasehold interest transfer or gains taxes, conveyance fees, documentary and recording charges and similar taxes imposed as a result of the transactions contemplated by this Agreement, together with any interest, penalties or additions to such transfer taxes or attributable to any failure to comply with

any requirement regarding Tax Returns ("Transfer Taxes") shall be borne by Parent, subject to Section 3.15(t). Parent and the Stockholders' Representative shall cooperate in filing all necessary Tax Returns under applicable Laws with respect to Transfer Taxes.

(f) Parent shall inform the Stockholders' Representative of the commencement of any Tax Proceeding relating in whole or in part to Taxes for which Parent may be entitled to indemnity from the Holders hereunder. With respect to any Tax Proceeding for which the Stockholders' Representative acknowledges in writing that the Holders are liable under Article IX for all Losses relating thereto, the Stockholders' Representative shall be entitled to control, in good faith, all proceedings taken in connection with such Tax Proceeding; provided, however, that (y) in the case of a Tax Proceeding relating to Taxes of the Company or any of its Subsidiaries for a Straddle Period, the Stockholders' Representative and Parent shall jointly control all proceedings taken in connection with any such Tax Proceeding and (z) if any Tax Proceeding could reasonably be expected to have an adverse effect on Parent, the Surviving Company or any of its Subsidiaries in any Tax period beginning after the Closing Date, the Tax Proceeding shall not be settled or resolved without Parent's consent, which consent shall not be unreasonably withheld or delayed. The failure of Parent to give reasonably prompt notice of any Tax Proceeding shall not release, waive or otherwise affect the Stockholders Indemnitors' obligations with respect thereto except to the extent that the Stockholders' Representative can demonstrate actual loss and prejudice as a result of such failure. Parent and the Surviving Company shall use their reasonable efforts to provide the Stockholders' Representative with such assistance as may be reasonably requested by the Stockholders' Representative in connection with a Tax Proceeding controlled solely or jointly by the Stockholders' Representative.

(g) Parent and the Stockholders' Representative shall cooperate fully, as and to the extent reasonably requested, in connection with (i) the filing of Tax Returns, (ii) any audit, litigation or other proceeding with respect to Taxes and Tax Returns and (iii) the preparation of any financial statements to the extent related to Taxes. Notwithstanding anything to the contrary in this Agreement, the Stockholders' Representative shall have no obligation to prepare or file any Tax Returns.

5.15 Release and Waiver. Effective as of the Effective Time, in consideration for Parent's acceptance of the limitations on Parent's right to indemnification pursuant to Section 9.4, each Holder, for itself and on behalf of its Affiliates, agents, representatives, attorneys, successors, assigns, dependents, heirs, executors, and administrators, hereby irrevocably and unconditionally forever releases, acquits and discharges the Company, its Subsidiaries, the Surviving Company and Parent (and any of their respective predecessors, successors, managers, directors, officers, employees, agents, representatives, attorneys, assigns, dependents, heirs, executors, and administrators) from any and all claims, rights, demands, actions, suits, damages, losses, expenses, liabilities, indebtedness, and causes of action, of whatever kind or nature that existed or arose from the beginning of time through the Effective Time, regardless of whether known or unknown, and regardless of whether asserted to date (excluding the claims that are not released pursuant to the following sentence, the "Released Holder Claims"). The foregoing shall not constitute a release of claims with respect to (i) payments to such Holder of any portion of the Per Share Common Stock

Merger Consideration, the Per Share Preferred Stock Merger Consideration, the Per Option Merger Consideration, or portion of the Transaction Bonus Plan, as applicable, to which such Holder is expressly entitled pursuant to the terms and conditions of this Agreement, (ii) if such Holder is a Covered Person, any claims that such Holder may have for indemnification under (A) the Runoff Insurance Policy or any similar "tail" insurance policy, (B) the Company's or any Subsidiary's Organizational Documents, (C) any indemnification agreement with the Company or any of its Subsidiaries relating to such Holder's service as an officer, director, employee or agent of the Company or its Subsidiaries, or (D) Section 5.8 of this Agreement, other than indemnification agreements or arrangements with the Company or any of its Subsidiaries providing indemnification of such Holder in its capacity as a stockholder of the Company, as to which the foregoing release shall constitute a release of claims, (iii) if such Holder is an employee of the Company or any Subsidiary, any claims for compensation for services actually provided by such Holder during the most recent pay period prior to the Closing, including salary, benefits and reimbursements of expenses incurred and otherwise reimbursable in accordance with the Company's or any of its Subsidiaries' policies during such period, (iv) to the extent that such Holder is an employee of the Company or any Subsidiary, any claims for compensation payable or benefits due with respect to any offer letter, employment agreement or arrangement, or any equity incentive plan or agreement. Such Holder further agrees and covenants not to participate in any action or proceeding against the Company or the Surviving Company based upon any of the Released Holder Claims, and (v) claims arising under or in connection with this Agreement or the transactions contemplated hereby or claims related to ownership of Parent Common Stock or which may not otherwise be released as a matter of applicable Laws. Each Holder (a) understands that the release contained in this Section 5.15 is binding on such Holder and its Affiliates, agents, representatives, attorneys, assigns, dependents, heirs, executors, and administrators, (b) represents and warrants that (i) it has had the opportunity to consult with counsel of its choice, (ii) it is fully informed of the nature and contents of this release and (iii) it has entered into this release freely and without any threat or coercion whatsoever and (c) further agrees and covenants not to participate in any action or proceeding against the Company, its Subsidiaries, the Surviving Company or the Parent based upon any of the Released Holder Claims.

Article VI

CONDITIONS PRECEDENT TO OBLIGATIONS

OF PARENT AND MERGER SUB

The obligations of Parent and Merger Sub to complete the Closing and effect the Merger under Article II of this Agreement are subject to the satisfaction (or written waiver by Parent to the extent permitted by Law) of the following conditions precedent on or before the Effective Time:

6.1 Accuracy of Warranties. Each of the representations and warranties of the Company set forth herein that (a) are qualified by Company Material Adverse Effect, "materiality" or similar qualifiers shall be true and correct in all respects as so qualified at and as of the date hereof and at

and as of the Effective Time with the same effect as though made as of the Effective Time (except to the extent such representations and warranties are made as of an earlier date (in which case, as of such earlier date)); and (b) are not qualified by Company Material Adverse Effect, "materiality" or similar qualifiers shall be true and correct in all material respects at and as of the date hereof and at and as of the Effective Time with the same effect as though made as of the Effective Time (except to the extent such representations and warranties are made as of an earlier date (in which case, as of such earlier date)).

6.2 Compliance with Agreements and Covenants. The Company shall have duly performed and complied with, in all material respects, all of the covenants, obligations and agreements contained in this Agreement to be performed and complied with by it at or prior to the Effective Time.

6.3 No Prohibition. No temporary restraining order, preliminary or permanent injunction or other Order issued by any court of competent jurisdiction or other legal or regulatory restraint or prohibition preventing the consummation of the Merger shall be in effect, nor shall any action have been taken by any Governmental Authority seeking any of the foregoing, and no statute, rule, regulation or Order shall have been enacted, entered, enforced or deemed applicable to the Merger, which makes the consummation of the Merger illegal.

6.4 Company Stockholder Approval. The Company Stockholder Approval shall have been obtained.

6.5 Dissenting Shares. Not more than five percent (5%) of the shares of Company Capital Stock issued and outstanding as of immediately prior to the Effective Time (calculated on an as-converted basis, assuming all shares of Preferred Stock were converted at such time into shares of Common Stock pursuant to the exercise of "Conversion Rights", as defined in Section C.4 of Article Fourth of the Certificate of Incorporation) shall have elected to become Dissenting Shares.

6.6 Listing Approval. The shares of Parent Common Stock issuable in connection with the Merger shall have been approved for trading on the New York Stock Exchange, subject to official notice of issuance.

6.7 Release of Certain Liens. Parent and Merger Sub shall have received payoff letters or similar customary documents, in form and substance reasonably satisfactory to Parent and Merger Sub, from the lenders identified on Section 6.7 of the Company Disclosure Letter, evidencing the aggregate amount of Indebtedness of the Company and its Subsidiaries outstanding and owing to such lenders as of the Closing Date (including any interest accrued thereon and any prepayment or similar penalties and expenses associated with the prepayment of such Indebtedness on the Closing Date) and confirming that, if such aggregate amount so identified is paid to such lender on the Closing Date, such Indebtedness shall be repaid in full, that all Liens affecting any real or personal property of the Company and its Subsidiaries shall be released.

6.8 Transaction Costs Payoff Letters. Parent and Merger Sub shall have received payoff letters or similar customary documents, in form and substance reasonably satisfactory to Parent and Merger Sub, from each of the service providers of the Company or any of its Subsidiaries, including Andrews Kurth LLP, KPMG, LLP and Padgett, Stratemann & Co., with respect to all fees and expenses payable to them by the Company, evidencing the aggregate amount of Transaction Costs and other fees and expenses payable to them and confirming that, if such aggregate amount so identified is paid to such service provider on the Closing Date, such Transaction Costs and other fees and expenses shall be paid in full, then such service provider shall release the Parent, Merger Sub, and the Company and its Subsidiaries of any further payment obligations relating to pre-Closing service. Such payoff letters shall include a statement of account with respect to all fees for the services rendered by such Service Providers setting forth the amounts which Parent shall be obligated to pay pursuant to Sections 5.5(c) and 5.5(d) hereof.

6.9 Amendment of Certificate of Incorporation. Parent and Merger Sub shall have received evidence of the effectiveness of the amendment to the Certificate of Incorporation in the form attached hereto as Exhibit J.

6.10 Closing Deliveries. The Company and the Stockholders' Representative shall have complied with the provisions of Section 2.2(b).

6.11 Joinder Agreements and Option Cancellation Agreements. The Joinder Agreements and the Option Cancellation Agreements signed by the Significant Stockholders and Significant Optionholders, shall remain in full force and effect.

6.12 Absence of Litigation. There is no pending, or overtly threatened, Litigation, that in any case would reasonably be expected to (i) prohibit, prevent, make illegal, delay or otherwise interfere with the consummation of any of the transactions contemplated by this Agreement or any of the ancillary agreements, (ii) cause any of the transactions contemplated by this Agreement or any of the ancillary agreements to be rescinded following consummation, (iii) affect adversely the right of Parent to control the Surviving Company and the Subsidiaries of the Company, or (iv) affect materially and adversely the right of Parent or any of its Subsidiaries to own their respective assets and to operate their respective businesses.

6.13 Company Material Adverse Effect. Since the date of this Agreement, the Company and its Subsidiaries shall not have suffered or incurred any Company Material Adverse Effect.

6.14Termination of Company 401(k) Plan

. The Company shall have provided evidence satisfactory to Parent as to the termination of the Company 401(k) Plan, with such termination contingent upon the Closing.

Article VII

CONDITIONS PRECEDENT TO OBLIGATIONS OF THE COMPANY

The obligations of the Company to complete the Closing and effect the Merger under Article II of this Agreement are subject to the satisfaction (or written waiver by the Company to the extent permitted by Law) of the following conditions precedent on or before the Effective Time:

7.1 Accuracy of Warranties. Each of the representations and warranties of Parent and Merger Sub set forth herein that (a) are qualified by Parent Material Adverse Effect, "materiality" or similar qualifiers shall be true and correct in all respects as so qualified at and as of the date hereof and at and as of the Effective Time with the same effect as though made as of the Effective Time (except to the extent such representations and warranties are made as of an earlier date (in which case, as of such earlier date)); and (b) are not qualified by Parent Material Adverse Effect, "materiality" or similar qualifiers shall be true and correct in all material respects at and as of the date hereof and at and as of the Effective Time with the same effect as though made as of the Effective Time (except to the extent such representations and warranties are made as of an earlier date (in which case, as of such earlier date)).

7.2 Compliance with Agreements and Covenants. Parent and Merger Sub shall have duly performed and complied with, in all material respects, all of their covenants, obligations and agreements contained in this Agreement to be performed and complied with by them at or prior to the Effective Time.

7.3 No Prohibition. No temporary restraining order, preliminary or permanent injunction or other Order issued by any court of competent jurisdiction or other legal or regulatory restraint or prohibition preventing the consummation of the Merger shall be in effect, nor shall any action have been taken by any Governmental Authority seeking any of the foregoing, and no statute, rule, regulation or Order shall have been enacted, entered, enforced or deemed applicable to the Merger, which makes the consummation of the Merger illegal.

7.4 Listing Approval. The shares of Parent Common Stock issuable in connection with the Merger shall have been approved for trading on the New York Stock Exchange, subject to official notice of issuance.

7.5 Closing Deliveries. The Parent and Merger Sub shall have complied with the provisions of Section 2.2(c).

7.6 Parent Material Adverse Effect. Since the date of this Agreement, Parent and its Subsidiaries shall not have suffered or incurred any Parent Material Adverse Effect.

Article VIII

TERMINATION

8.1 Termination. This Agreement may be terminated at any time on or prior to the Effective Time, whether before or after the Company Stockholder Approval has been received:

(a) With the mutual written consent of each of the Company, Parent and Merger Sub;

(b) By either the Company or Parent, if the Closing of the Merger shall not have occurred on or before February 26, 2016, unless extended pursuant to terms and subject to the conditions set forth in Section 2.2(b)(vii) of the Company Disclosure Letter (the "Termination Date");

(c) By the Company, if Parent shall have breached or failed to perform any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform (A) would give rise, if occurring or continuing at the Effective Time, to the failure of a condition set forth in Section 7.1 or Section 7.2 and (B) has not been or is incapable of being cured by Parent prior to the earlier of the (x) Termination Date and (y) thirtieth (30th) calendar day after its receipt of written notice thereof from the Company;

(d) By Parent, if the Company shall have breached or failed to perform any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform (A) would give rise, if occurring or continuing at the Effective Time, to the failure of a condition set forth in Section 6.1 or Section 6.2 and (B) has not been or is incapable of being cured by the Company prior to the earlier of the (x) Termination Date and (y) thirtieth (30th) calendar day after its receipt of written notice thereof from Parent;

(e) By Parent if the Company shall have failed to: (A) deliver to Parent concurrently with the effectiveness of this Agreement the Company Stockholder Approval, (B) deliver to Parent concurrently with the effectiveness of this Agreement the Significant Stockholders Written Consent and a Joinder Agreement executed by each of the Significant Stockholders with respect to the Company Capital Stock held by them, (C) deliver to Parent concurrently with the effectiveness of this Agreement an Option Cancellation Agreement executed by the Significant Option Holders with respect to the Options held by them, or (D) deliver to Parent concurrently with the effectiveness of this Agreement a Joinder Agreement executed by each of the individuals listed on Section 1.1(c) of the Company Disclosure Letter with respect to his or her portion of the Transaction Bonus Pool Amount; or

(f) By either the Company or Parent, if (i) there shall be any Law that makes consummation of the Merger illegal or (ii) any Governmental Authority having competent jurisdiction shall have issued an Order or taken any other action permanently restraining, enjoining or otherwise prohibiting the Merger, and such Order or other action shall have become final and nonappealable.

Notwithstanding anything else contained in this Agreement, the right to terminate this Agreement under this Section 8.1 shall not be available to any party whose breach of its representations or warranties set forth herein or whose failure to fulfill its obligations or to comply with its covenants under this Agreement has been the primary cause of, or primarily resulted in, the failure to satisfy any condition to the obligations of the other party hereunder.

8.2 Expenses. If the Merger is not consummated and except as otherwise provided in this Agreement or the other transaction documents to be entered into in connection with this Agreement and the transactions contemplated hereby, all expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such expenses.

8.3 Effect of Termination. In the event of termination of this Agreement by either the Company or Parent as provided in Section 8.1, this Agreement will forthwith become void and have no further force or effect, without any Liability (other than with respect to fraud, intentional misrepresentation or a willful breach or as set forth in Section 8.2 or this Section 8.3) on the part of Parent, Merger Sub or the Company. The provisions of Section 8.2, this Section 8.3, Section 10.7, Section 10.11, Section 10.12, Section 10.15 and Section 10.16 and will survive any termination hereof.

8.4 Specific Performance. The parties hereto agree that irreparable damage, for which monetary damages, even if available, would not be an adequate remedy, would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that, except as set forth in Section 9.3 or as specified elsewhere in this Agreement, the parties hereto shall be entitled to an injunction or injunctions, specific performance and other equitable remedies to prevent and restrain breaches or threatened breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in any court specified in Section 10.15, in addition to any other remedy to which they are entitled at law or in equity. The parties hereto hereby waive, in any action for specific performance, the defense of adequacy of a remedy at law and the necessity of demonstrating damages or posting any bond or other security in connection therewith.

Article IX

INDEMNIFICATION

9.1 Indemnification by the Holders. Subject to the terms of this Article IX, and in addition to all other indemnification obligations contained elsewhere herein, from and after the Effective Time, the Holders, severally in accordance with such Holder's Pro Rata Share, shall indemnify Parent and its Affiliates (including the Surviving Company), and its and their respective employees, officers, directors, successors and assigns (collectively, the "Parent Indemnitees") and defend (but only to the extent provided in Section 9.3), reimburse and hold them harmless from and against, and in respect of, on a dollar for dollar basis, all claims, liabilities, damages, payments, obligations, losses, costs and expenses (including reasonable attorneys' fees, court costs, expert witness fees, transcripts costs and other expenses of Litigation) and judgments (at law or in equity) (collectively, "Losses") incurred or suffered by any of them and arising out of or resulting from any of the following:

(a) any breach of, nonfulfillment of, or failure to perform any agreement or covenant of, the Company or the Stockholders' Representative contained herein or in any other agreement, certificate or instrument delivered in connection with the transactions contemplated hereby, including the Merger;

(b) any breach of or inaccuracy in any warranty or representation of the Company contained herein or in any other agreement, certificate or instrument delivered in connection with the transactions contemplated hereby, including the Merger;

(c) any Litigation concerning Dissenting Shares or any other similar appraisal proceeding relating to the Merger, and any Losses attributable to the appraised value per share of Common Stock or Preferred Stock (as the case may be) determined in accordance with Section 262 of the DGCL exceeding the Per Share Common Stock Merger Consideration or the Per Share Preferred Stock Merger Consideration (as applicable);

(d) any Litigation concerning the Company Board's or any Company Affiliate's actual or alleged breach of fiduciary or other duties in connection with the approval of the Merger, other matters related to the Merger, or prior financing activities of the Company, including, but not limited to the holding company reorganization effected pursuant to Section 251(g) of the DGCL and the series of related transactions, pursuant to which the Company became the direct parent entity of On-X Life Technologies, Inc.;

(e) (x) any injunction against Parent, the Surviving Company or any of its Subsidiaries with respect to: (i) the operation of the business of the Surviving Company and its Subsidiaries or (ii) selling the Surviving Company's products, in each case consistent with the manner such business was operated by the Company and the manner such products were sold by the Company or any of its Subsidiaries, to the extent (1) such injunction arises out of, or results from, those matters addressed on Section 9.1(e) of the Company Disclosure Letter, and (2) such injunction does not arise out of, or result from, any Litigation commenced by Parent, the Surviving Company or any of its Subsidiaries and (y) any Losses arising out of or resulting from the Contract listed in item #2 of Section 9.1(e) of the Company Disclosure Letter;

(f) those matters addressed on Section 9.1(f) of the Company Disclosure Letter;

(g) those matters addressed on Section 9.1(g) of the Company Disclosure Letter;

(h) unpaid Indebtedness of the Company or any of its Subsidiaries (to the extent not included in the Final Adjustment pursuant to Section 2.10);

(i) unpaid Transaction Costs (to the extent not included in the Final Adjustment pursuant to Section 2.10); and

(j) any penalty imposed on the Surviving Company or its Subsidiaries by a Taxing Authority in consequence of a failure by the Company or that Subsidiary before the Closing Date to prepare, maintain or retain material transfer pricing documentation required by applicable Laws.

Notwithstanding the foregoing, (i) the Holders shall be liable for Taxes or Losses with respect to Taxes only to the extent that such Taxes were not (A) included as liabilities in calculating Working Capital and (B) taken into account in determining the amount of the Purchase Price adjustments pursuant to Section 2.10, (ii) the Holders shall have no liability for any Taxes or Losses

with respect to Taxes that are attributable to any transaction outside the ordinary course of business of the Company entered into by Parent or its Affiliates or at the direction of Parent or its Affiliates that occurs on the Closing Date after the Closing, and (iii) the Holders shall have no liability to Parent for any Losses attributable to Taxes with respect to any Post-Closing Tax Period, except for any Losses attributable to any breach of any representation or warranty of the Company or its Subsidiaries pursuant to Sections 3.15(k), 3.15(o), 3.15(q), as applicable, or breach of a covenant by the Company or its Subsidiaries, in each case, with respect to any Pre-Closing Tax Period.

9.2 Indemnification by the Parent. Subject to the terms of this Article IX, from and after the Effective Time, Parent hereby agrees to indemnify each Holder and their respective employees, officers, directors, successors and assigns (collectively, the "Stockholder Indemnitees") and agrees to defend, reimburse and hold them harmless from and against all Losses incurred or suffered by any of them and arising out of or resulting from any of the following:

(a) any breach of, nonfulfillment of, or failure to perform any agreement or covenant of Parent or Merger Sub contained herein or in any other agreement, certificate or instrument delivered in connection with the transactions contemplated hereby, including the Merger; and

(b) any breach of or inaccuracy in any warranty or representation of Parent or Merger Sub contained herein or in any other agreement, certificate or instrument delivered in connection with the transactions contemplated hereby, including the Merger.

9.3 Procedural Provisions Regarding Indemnification.

(a) General.

(i) The Person or Persons believing it or they are entitled to indemnification hereunder (the "Indemnified Party") shall promptly notify in writing the Persons who bear such indemnification obligation pursuant to this Agreement (the "Indemnifying Party") of any claim, demand, action or proceeding for which indemnification is sought under Sections 9.1 or 9.2, which notice shall specify facts reasonably known to the Indemnified Party giving rise to the claim (a "Notice of Claim"). In the case of claims by a Parent Indemnitee, the Notice of Claim shall be directed to the Stockholders' Representative with a copy to the Escrow Agent, and in the case of claims by a Stockholder Indemnitee, the Notice of Claim shall be directed to Parent.

(ii) In the case of a Notice of Claim by a Parent Indemnitee:

(1) For a period of twenty (20) Business Days after the delivery to the Escrow Agent and the Stockholders' Representative of such Notice of Claim (the "Stockholder Notice Period"), the Escrow Agent shall make no distribution from the Indemnification Escrow Account pursuant to this Section 9.3 unless the Escrow Agent shall have received written authorization from the Stockholders' Representative and Parent to make such distributions.

(2) Subject to the following proviso, after the expiration of such Stockholder Notice Period, (A) to the extent the Notice of Claim relates to a claim for which a

Parent Indemnitee is entitled to indemnification for Losses from the Indemnification Escrow Account, at Parent's request, the Escrow Agent shall deliver to Parent (as agent for the Parent Indemnitees), without requiring any instructions from the Stockholders' Representative, a distribution from the Indemnification Escrow Account of an amount of cash in satisfaction of the Notice of Claim; and (B) to the extent the Notice of Claim relates to a claim for which a Parent Indemnitee is entitled to indemnification for Losses without having to first seek recovery from the Indemnification Escrow Account, the Holders shall deliver to Parent (as agent for the Parent Indemnitees) an amount of cash in satisfaction of the Losses arising out of or resulting from such claim; provided, however, that no such distribution may be made if and to the extent the Stockholders' Representative has objected in a written statement to any claim or claims made in the Notice of Claim, and such written statement shall have been delivered to the Escrow Agent and to Parent prior to the expiration of such Stockholder Notice Period.

(3) If the Stockholders' Representative objects in writing, within such Stockholder Notice Period, to any claim or claims by Parent made in any Notice of Claim, Parent and the Stockholders' Representative shall attempt to resolve such objection within twenty (20) Business Days after Parent's receipt of such written objection. The Stockholders' Representative shall not object after the expiration of such Stockholder Notice Period to any claim or claims made in the Notice of Claim if the Stockholders' Representative did not previously object in writing prior to the expiration of such Stockholder Notice Period to any claim or claims made in the Notice of Claim. If Parent and the Stockholders' Representative reach an agreement with respect to the Notice of Claim that requires a distribution from the Indemnification Escrow Account, they shall prepare, sign and deliver to the Escrow Agent a joint statement setting forth such agreement, which if required under such agreement, will include clear instructions for the payment of the claim, including amounts to be distributed from the Indemnification Escrow Account, and other payments to be made to Parent for Parent's benefit or the benefit of another Parent Indemnitee, as applicable. The Escrow Agent shall be entitled to rely conclusively on any such joint statement and the Escrow Agent shall distribute cash from the Indemnification Escrow Account in accordance with the terms of such joint statement. The Stockholders' Representative or, if applicable, the Holders, if required by such agreement, shall authorize the distribution from the Indemnification Escrow Account and/or shall pay Parent for Parent's benefit or the benefit of another Parent Indemnitee, as applicable, in accordance with the Holders' Pro Rata Shares and subject to prior compliance with the procedures set forth in Section 2.9 and the limitations of Section 9.4, the amount as mutually agreed upon by Parent and the Stockholders' Representative in writing.

(iii) In the case of a Notice of Claim by a Stockholder Indemnitee:

(1) If Parent fails to object to such claim within a period of twenty (20) Business Days after delivery of the Notice of a Claim to Parent (the "Parent Notice Period"), Parent shall pay the Exchange Agent (for further distribution to the holders of Company Capital Stock) and Parent's or the Surviving Company's, as applicable, payroll administrator (in the case of holders of Company Options and participants in the Transaction Bonus Pool), for further distribution to the Holders in accordance with their Pro Rata Shares and subject to prior compliance with the

procedures set forth in Section 2.9 and the limitations specified in Section 9.4, the amount of such claim.

(2) If Parent objects in writing, within such Parent Notice Period, to any claim or claims by a Stockholder Indemnitee made in any Notice of Claim, Parent and the Stockholders' Representative shall attempt to resolve such objection within twenty (20) Business Days after the Stockholders' Representative's receipt of such written objection. If Parent and the Stockholders' Representative reach an agreement with respect to such Notice of Claim, they shall prepare, sign and deliver to each other a joint statement setting forth such agreement. Parent, if required by such agreement, shall pay the Exchange Agent (in the case of holders of Company Capital Stock) and Parent's or the Surviving Company's, as applicable, payroll administrator (in the case of holders of Company Options and participants in the Transaction Bonus Pool), for further distribution to the Holders in accordance with their Pro Rata Shares and subject to prior compliance with the procedures set forth in Section 2.9 and the limitations specified in Section 9.4, the amount as mutually agreed upon by Parent and the Stockholders' Representative in writing.

(iv) If no such agreement with respect to a Notice of Claim can be reached during the twenty (20) Business Day period for negotiation set forth in either of Sections 9.3(a)(ii) or (iii) above, either Parent or the Stockholders' Representative may bring suit to resolve the matter. Any final, nonappealable judgment rendered by a court of competent jurisdiction specified in Section 10.15 with respect to such matter shall be binding and conclusive upon the parties hereto as to the validity and amount of any claim in such Notice of Claim and (i) in the case of claims by a Parent Indemnitee, the Escrow Agent shall be entitled to act in accordance with such judgment and the Escrow Agent shall distribute cash from the Indemnification Escrow Account in accordance therewith, and (ii) in the case of claims by a Stockholder Indemnitee, Parent shall act in accordance with such judgment and pay the Exchange Agent (in the case of holders of Company Capital Stock) and Parent's or the Surviving Company's, as applicable, payroll administrator (in the case of holders of Company Options and participants in the Transaction Bonus Pool), for further distribution to the Holders in accordance with their Pro Rata Shares and subject to prior compliance with the procedures set forth in Section 2.9 and the limitations specified in Section 9.4, the amount (if any) required thereunder. Any such final, nonappealable judgment so rendered may be entered in any court having competent jurisdiction specified in Section 10.15.

(b) Third Party Claims.

(i) Notice. With respect to any matter for which an Indemnified Party is entitled to indemnification from an Indemnifying Party under this Article IX that relates to a claim by a Person who (a) is not a party to this Agreement, (b) is not an Affiliate of a party to this Agreement and (c) is not a successor to a party to this Agreement or any of its Affiliates (a "Third Party" and such claim a "Third Party Claim"), the Indemnified Party shall promptly provide to the Indemnifying Party a Notice of Claim relating to such Third Party Claim; provided, however, that no failure or delay in providing such Notice of Claim shall relieve the Indemnifying Party of any liability hereunder (except to the extent the Indemnifying Party has suffered actual prejudice thereby).

(ii) Assumption of the Defense. Parent shall be entitled to assume and control all aspects of the defense of Third Party Claims, including the selection of legal counsel, subject to the obligations set forth in this Agreement. Provided that the Indemnified Party and Indemnifying Parties shall have first executed a customary joint defense agreement, Parent shall thereafter (A) promptly inform the Indemnified Party of all material developments related to such Third Party Claim and copy the Stockholders' Representative on all pleadings, filings and other correspondence relating thereto, and (B) consult with, and consider in good faith the recommendations of, the Stockholders' Representative regarding the strategy for defense of such Third Party Claim. With respect to such Third Party Claim: (x) the Stockholders' Representative shall have the right at its sole cost and expense, but not the obligation, to participate in (without any right to control) the defense of such Third Party Claim through legal counsel selected by it, but the costs and expenses of such legal counsel shall be borne solely by the Stockholders' Representative; provided that all costs and expenses borne pursuant to this Section 9.3(b) shall be borne by the Holders acting through the Stockholders' Representative in its capacity as such; and (y) Parent and the Stockholders' Representative shall, during normal business hours and upon reasonable advance notice, (1) reasonably cooperate with, (2) make their respective relevant files and records reasonably available for inspection and copying by, (3) make their respective employees reasonably available to, and (4) otherwise render reasonable assistance to, the other Person in connection with the defense of such Third Party Claim.

(iii) Refusal or Failure to Defend a Third Party Claim. If Parent refused or failed to control the defense of a Third Party Claim or unreasonably delays in performing its obligations to assume control or defend such Thirty Party Claim at any time after an Indemnified Party submits a Notice of Claim of such Third Party Claim, the Stockholders' Representative shall be entitled to fully assume, commence and pursue the defense of such Third Party Claim and Parent shall no longer be entitled to defend such Third Party Claim. From and after the assumption of the control of the defense of such Third Party Claim pursuant to the immediately preceding sentence, with respect to such Third Party Claim, the Stockholders' Representative shall have all rights and obligations of Parent, and Parent shall have all rights and obligations of the Stockholders' Representative, set forth in this Section 9.3(b) (other than Section 9.3(b)(iv)(2) and (b)(iv)(3) and the right of Parent to request the release from the Indemnification Escrow Account (which right shall remain with Parent) of indemnifiable Losses pursuant to the last sentence of Section 9.3(b)(iv)(1)) with respect to control of such Third Party Claim.

(iv) Settlement.

(1) If Parent proposes to settle or compromise such Third Party Claim, Parent shall provide notice to that effect (together with a statement describing in reasonable detail the terms and conditions of such settlement or compromise and including a copy of the settlement agreement) to the Stockholders' Representative, which notice shall be provided a reasonable time prior to the proposed time for effecting such settlement or compromise. Prior to settling or compromising any such Third Party Claim, Parent shall obtain the written consent of the Stockholders' Representative. The Stockholders' Representative shall not withhold, condition or delay such consent unreasonably. If Parent effects any such settlement or compromise of such Third

Party Claim with the written consent of the Stockholders' Representative, the cash amount payable pursuant to such settlement or compromise plus the related indemnifiable Losses, if any, specified in such consent shall, if requested by Parent in its sole discretion, be released from the Indemnification Escrow Account.

(2) If Parent effects any such settlement or compromise of such Third Party Claim without the written consent of the Stockholders' Representative, then unless such consent was withheld, conditioned or delayed unreasonably by the Stockholders' Representative, as the Stockholders' Representative's exclusive remedy with respect to Parent's settlement or compromise of such Third Party Claim without the Stockholders' Representative's consent, if the cash payment obligations pursuant to such settlement or compromise constitute indemnifiable Losses for which Parent (or the Indemnified Parties it represents) may be entitled to indemnification, is for the Stockholders' Representative to seek monetary damages from Parent (but not injunctive relief or other equitable relief seeking to prevent or unwind such settlement or compromise) equal to the amount by which such cash payment obligations for which the Indemnifying Parties must indemnify the Indemnified Parties exceed the amount reasonably required for Parent to effect such settlement or compromise, taking into account all relevant facts and circumstances at the time of such settlement or compromise and the reasonably foreseeable implications of delaying or failing to achieve the settlement or compromise when effected. The Stockholders' Representative shall not seek injunctive relief or other equitable relief seeking to prevent or unwind such settlement or compromise. The parties to this Agreement acknowledge and agree that the limitations on the Stockholders' Representative's remedies pursuant to the immediately preceding sentence are acceptable and were agreed to in exchange for the willingness of the parties to this Agreement to accept the rights and procedures set forth in this Section 9.3(b), and the Stockholders' Representative shall not seek any such equitable relief, including injunctive relief, or otherwise to attempt to prevent or unwind the settlement or compromise of a Third Party Claim.

(3) Notwithstanding anything to the contrary in this Agreement, the consent of Parent to any settlement or compromise of a Third Party Claim may be withheld by Parent in its sole discretion; provided that Parent's consent shall not be unreasonably withheld, conditioned or delayed in the event any such settlement is on exclusively monetary terms to be fully funded from the Indemnification Escrow Account and includes an unconditional release of Parent and its Affiliates from all liability arising out of such Third Party Claim.

(c) Distribution of Escrow. On or before the fifth (5th) Business Day following the first (1st) anniversary of the Closing Date, the Escrow Agent will release and deliver from the Indemnification Escrow Account, by wire transfer of immediately available funds to the Exchange Agent (in the case of holders of Company Capital Stock) and Parent's or the Surviving Company's, as applicable, payroll administrator (in the case of holders of Company Options and participants in the Transaction Bonus Pool), for further distribution to the Holders in accordance with their Pro Rata Shares and subject to prior compliance with the requirements, conditions and procedures set forth in Section 2.9, that portion of the Indemnification Escrow Account then remaining in the Indemnification Escrow Account, if any, in excess of any amounts in the Indemnification Escrow Account reserved in respect of pending and unresolved claims pursuant to this Agreement, including

for indemnification which have been submitted pursuant to this Article IX. The Escrow Agent shall continue to hold any amounts remaining in the Indemnification Escrow Account following such distribution in accordance with the Escrow Agreement until the claims underlying the amounts held in the Indemnification Escrow Account are resolved in accordance with the procedures set forth in this Section 9.3, and shall distribute any amounts remaining in the Indemnification Escrow Account in accordance with this paragraph upon final resolution of such claims.

9.4 Limitations on Liability.

(a) Notwithstanding any other provisions of this Agreement to the contrary, the indemnification obligations of the Holders hereunder shall be limited as follows:

(i) the Parent Indemnitees shall not be entitled to indemnification for Losses from the Holders pursuant to Section 9.1(b) unless the aggregate amount of Losses incurred by the Parent Indemnitees with respect to the event or occurrence giving rise to such Losses exceeds $15,000, unless such Losses arise out of or result from (A) a breach or inaccuracy of a Company Fundamental Representation or (B) Company-Related Fraud, in which case the limitation in this Section 9.4(a)(i) shall not apply;

(ii) the Parent Indemnitees shall not be entitled to indemnification for Losses from the Holders pursuant to Section 9.1(b) (unless such Losses arise out of or result from (A) a breach or inaccuracy of a Company Fundamental Representation, or (B) Company-Related Fraud, in each case as to which the limitation of this Section 9.4(a)(ii) shall not apply) unless and until the aggregate amount of such Losses meets or exceeds an amount equal to $1,300,000, in which case the Parent Indemnitees shall thereafter be entitled to all such Losses (including the first $1,300,000 of Losses and subject to, if applicable, Sections 9.4(a)(iii), 9.4(a)(iv) and 9.4(a)(v), all Losses in excess thereof);

(iii) the Parent Indemnitees shall not be entitled to indemnification for Losses from the Holders pursuant to Section 9.1(b) to the extent such Losses exceed the amounts then held in the Indemnification Escrow Account, unless such Losses arise out of or result from (A) a breach or inaccuracy of a Company Fundamental Representation or (B) Company-Related Fraud, in which case the limitation in this Section 9.4(a)(iii) shall not apply;

(iv) except for Losses arising out of or resulting from (A) claims under Section 9.1(a) for an intentional breach, intentional nonfulfillment or intentional failure to perform, (B) claims pursuant to Sections 9.1(e), 9.1(h) and 9.1(i), (C) a breach or inaccuracy of a Company Fundamental Representation, or (D) Company-Related Fraud, in each case as to which the limitation in this Section 9.4(a)(iv) shall not apply, the Parent Indemnitees shall look first to the Indemnification Escrow Account for the satisfaction of all indemnified Losses pursuant to Section 9.1, and only after all of the amounts originally deposited in the Indemnification Escrow Account have been distributed from the Indemnification Escrow Account or are otherwise subject to claims for indemnification pursuant to this Agreement, shall any Parent Indemnitee be permitted to recover any such indemnified Losses from the Holders directly (which in any event shall be allocated severally in accordance with each Holder's respective Pro Rata Share); provided, however,

that for Losses arising out of or resulting from claims pursuant to Sections 9.1(f) or 9.1(g), (x) subject to clause (y) of this sentence, the Parent Indemnitees shall look first to the Indemnification Escrow Account for the satisfaction of only the first $200,000 of the aggregate indemnified Losses pursuant to Sections 9.1(f) and 9.1(g) (collectively, the "Threshold Amount") and the Parent Indemnitees shall be permitted to recover any indemnified Losses in excess of the Threshold Amount from the Holders directly (which in any event shall be allocated severally in accordance with each Holder's respective Pro Rata Share), and (y) to the extent the Parent Indemnitees are not able to recover the Threshold Amount from the Indemnification Escrow Account because it has been exhausted or contains less than the Threshold Amount in funds that are not otherwise subject to claims for indemnification pursuant to this Agreement, the Parent Indemnitees shall be permitted to recover any such indemnified Losses from the Holders directly (which in any event shall be allocated severally in accordance with each Holder's respective Pro Rata Share); and

(v) notwithstanding anything in this Agreement to the contrary, the aggregate indemnification obligations of any Holder pursuant to this Agreement shall not exceed an aggregate amount equal to the total consideration actually received by such Holder under this Agreement; provided, however, that the value of the Parent Common Stock received by the Holders under this Agreement shall be valued at the Reference Price for purposes of this Article IX.

(b) Notwithstanding any other provisions of this Agreement to the contrary, the indemnification obligations of the Parent hereunder shall be limited as follows:

(i) the Stockholder Indemnitees shall not be entitled to indemnification for Losses from Parent pursuant to Section 9.2(b) unless the aggregate amount of Losses incurred by the Stockholder Indemnitees with respect to the event or occurrence giving rise to such Losses exceeds $15,000, unless such Losses arise out of or result from (A) a breach or inaccuracy of a Parent Fundamental Representation, or (B) Parent-Related Fraud, in which case the limitation in this Section 9.4(b)(i) shall not apply;

(ii) the Stockholder Indemnitees shall not be entitled to indemnification for Losses from Parent pursuant to Section 9.2(b) (unless such Losses arise out of or result from (A) a breach or inaccuracy of a Parent Fundamental Representation, or (B) Parent-Related Fraud, in each case as to which the limitation in this Section 9.4(b)(ii) shall not apply) unless and until the aggregate amount of such Losses meets or exceeds an amount equal to $1,300,000, in which case the Stockholder Indemnitees shall thereafter be entitled to all such Losses (including the first $1,300,000 of Losses and, subject to Sections 9.4(b)(iii) and 9.4(b)(iv) below, all Losses in excess thereof);

(iii) the Stockholder Indemnitees shall not be entitled to indemnification for Losses from Parent pursuant to Section 9.2(b) to the extent such Losses exceed $10,000,000, unless such Losses arise out of or result from (i) a breach or inaccuracy of a Parent Fundamental Representation, (ii) Parent-Related Fraud, or (iii) Section 9.2(a), in which case the limitation in this Section 9.4(b)(iii) shall not apply; and

(iv) notwithstanding anything herein to the contrary, the aggregate indemnification obligations of Parent pursuant to this Agreement shall not exceed the portion of the aggregate consideration described in Section 2.12 that is actually paid and issued by Parent.

(c) In no event shall any Indemnified Party be entitled to indemnification pursuant to this Article IX for, and for purposes of this Article IX the term "Losses" shall not include, any remote, speculative, punitive or exemplary damages, except to the extent such damages relate to, arise in connection with or result from (i) any claim for fraud, or (ii) any Third Party Claim.

(d) In no event shall any Indemnified Party be entitled to recovery for the identical Losses more than once under this Agreement, including by reason of such Losses having been previously recovered pursuant to this Article IX. Without limiting the generality of the foregoing, none of the Indemnified Parties shall be entitled to indemnification for Losses under this Article IX to the extent such amounts were taken into account in the calculation of the Final Adjustment pursuant to Section 2.10.

(e) No Holder shall have any liability for Losses pursuant to Section 9.1 to the extent (i) insurance proceeds in respect of such Losses are actually received by the Parent Indemnitees, minus (A) all applicable insurance premiums (or increases thereto resulting from the recovery of such insurance proceeds or the underlying insurance claim giving rise thereto) and (B) reasonable expenses incurred by them in recovering such proceeds from the insurance carrier, or (ii) the Parent Indemnitees actually receive indemnification or recovery of damages from a Third Party for such Losses, minus all reasonable expenses incurred by them in recovering such indemnification or recovery of damages from the Third Party; provided, however, that, in each case, no Parent Indemnitee shall have any obligation to report any insurance claim or pursue the recovery of insurance proceeds or third party damages in respect of any Losses for which indemnification is available hereunder from the Stockholder Indemnitees; and

(f) if a Parent Indemnitee recovers amounts with respect any claim against a Holder: (i) pursuant to a breach of such Holder's Joinder Agreement, or (ii) with respect to any failure of a Holder to have good and valid title to its Company Capital Stock as set forth in the Merger Consideration Table (any such claim a "Single Holder Claim"), and such recovery is paid from the Indemnification Escrow Account, then the Stockholders' Representative may direct such Holder to promptly contribute the amount of such claim into the Indemnification Escrow Account and/or to withhold distributions equal to the amount of such claim to such Holder from the Indemnification Escrow Account.

9.5 Materiality Disregarded. All materiality qualifications contained in the representations and warranties of the parties to this Agreement set forth in this Agreement (however they may be phrased and including the term "Company Material Adverse Effect", "Parent Material Adverse Effect", and otherwise) shall be taken into account for purposes of this Article IX solely for purposes of determining whether a breach of, or inaccuracy in, such representation and warranty has occurred and, if such breach or inaccuracy has occurred, all such materiality qualifications shall be ignored and not given any effect for purposes of determining the amount of Losses arising out of,

resulting from or relating to such breach of, or inaccuracy in, such representation and warranty, for purposes of this Article IX.

9.6 Exclusive Remedy. Except with respect to an action based upon an allegation of fraud or with respect to which equitable relief or specific performance is sought or as otherwise expressly provided in this Agreement, the provisions of this Article IX constitute the exclusive remedy of the parties hereto with respect to the matters covered under Sections 9.1 and 9.2.

9.7 Tax Treatment of Indemnity Payments. The parties hereto agree to treat any indemnity payment made pursuant to this Agreement as an adjustment to the Purchase Price for all Tax purposes, unless otherwise required by applicable Laws.

Article X

MISCELLANEOUS

10.1 Survival. The representations and warranties contained in this Agreement shall survive the Effective Time for the following periods: (a) Sections 3.5 through Section 3.11, Section 3.13, and Sections 3.16 through Section 3.23 shall survive until the first anniversary of the Closing Date (b) Section 3.12 (Benefit Plans), Section 3.14 (Environmental Matters) and Section 3.15 (Taxes) shall survive until the sixth (6th) anniversary of the Closing Date, and (c) Section 3.1 (Organization; Standing and Power), Section 3.2 (Capital Stock), Section 3.3 (Subsidiaries), Section 3.4 (Authority) and Section 3.24 (Brokers) (the representations and warranties in this clause (c), collectively, the "Company Fundamental Representations") and Section 4.1 (Organization; Standing and Power) and Section 4.2 (Authority) (the representations and warranties in Section 4.1 and 4.2, collectively, the "Parent Fundamental Representations") shall survive until the fourth (4th) anniversary of the Closing Date; provided, however, that (i) if there is a breach or inaccuracy of a representation and warranty arising out of or resulting from Company-Related Fraud or Parent-Related Fraud, with respect to a claim based on such Company-Related Fraud or Parent-Related Fraud, as applicable, the applicable representation and warranty shall survive solely with respect to such fraud beyond the applicable survival periods specified in clauses (a), (b) and (c) of this Section 10.1 until such fraud is discovered and the claims for Losses arising out of or resulting from such fraud are resolved and the related indemnification obligations under this Agreement, if any, and other payment obligations, if any, are fulfilled, and (ii) if a Notice of Claim under this Agreement for a breach or inaccuracy of a representation or warranty in this Agreement is submitted in accordance with this Agreement prior to the expiration of the applicable survival periods in clauses (a), (b) and (c) of this Section 10.1, solely with respect to the claims included in such Notice of Claim, the survival period for the applicable representations and warranties shall survive beyond the applicable survival periods specified in clauses (a), (b) and (c) of this Section 10.1 until such claims specified in such Notice of Claim are resolved and the related indemnification obligations under this Agreement, if any, are fulfilled. The covenants contained in Sections 5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.9, 5.10, 5.11 and 5.13 of this Agreement shall terminate at the Closing; provided that the right of a party to seek indemnification for breaches of or failure to perform any such covenants shall survive until the

fourth (4th) anniversary of the Closing; provided, however, that if a Notice of Claim under this Agreement for a breach of or failure to perform any such covenant is submitted in accordance with this Agreement on or prior to the fourth (4th) anniversary of the Closing, solely with respect to the claims included in such Notice of Claim, the survival period for the applicable covenants shall survive beyond the fourth (4th) anniversary of the Closing until such claims specified in such Notice of Claim are resolved and the related indemnification obligations under this Agreement, if any, are fulfilled. All other covenants contained in this Agreement and the related indemnification obligations for breaches of or failure to perform such covenants shall survive the Closing and remain in full force and effect in perpetuity after the Closing Date, other than those that terminate earlier in accordance with their express terms (the "Expiring Covenants"). The Expiring Covenants will terminate on such termination date as is expressly provided in such terms (the "Expiration Date"); provided that the right of a party to seek indemnification for breaches of or failure to perform any Expiring Covenants shall survive until the later of (x) the Expiration Date and (y) the fourth (4th) anniversary of the Closing; provided, however, that if a Notice of Claim under this Agreement for a breach of or failure to perform any Expiring Covenant is submitted in accordance with this Agreement on or prior to such later date, solely with respect to the claims included in such Notice of Claim, the survival period for the applicable Expiring Covenants shall survive beyond such later date until such claims specified in such Notice of Claim are resolved and the related indemnification obligations under this Agreement, if any, are fulfilled.

10.2 Amendment. Prior to the Effective Time, subject to Applicable Laws (including the DGCL) and Section 10.4, this Agreement may be amended or modified only by a written agreement executed and delivered by duly authorized officers of Parent, Merger Sub, the Company and the Stockholders' Representative. After the Effective Time, subject to Applicable Laws (including the DGCL), this Agreement may be amended or modified only by written agreement executed and delivered by duly authorized officers of Parent and the Stockholders' Representative. This Agreement may not be modified or amended except as provided in the immediately preceding two sentences.

10.3 Notices. Any notice, request, instruction or other document or other communication to be given hereunder by a party hereto shall be in writing and shall be deemed to have been given (i) when received if given in person or by courier or a courier service (providing proof of delivery), (ii) on the date of transmission if sent by confirmed facsimile, (iii) on the next Business Day if sent by an overnight delivery service (providing proof of delivery), or (iv) five (5) Business Days after being deposited in the U.S. mail, certified or registered mail, postage prepaid; provided that with respect to notices delivered to the Stockholders' Representative, such notices must be delivered solely via confirmed facsimile:

(a) If to the Company, addressed as follows:

On-X Life Technologies Holdings, Inc.
1300 E Anderson Lane Building B
Austin, Texas 78752
Attention: Clyde Baker, President and Chief Executive Officer

Facsimile No.: (512) 339-3636

with copies (which shall not constitute notice) to:

Andrews Kurth LLP
111 Congress Avenue, Suite 1700
Austin, Texas 78701
Attention: J. Matthew Lyons, Esq.
Facsimile No.: (512) 320-9292

(b) If to the Stockholders' Representative, addressed as follows:

Fortis Advisors LLC
Notice Department
Facsimile No.: (858) 408-1843

with copies (which shall not constitute notice) to:

Andrews Kurth LLP
111 Congress Avenue, Suite 1700
Austin, Texas 78701
Attention: J. Matthew Lyons
Facsimile No.: (512) 320-9292

(c) If to Parent or Merger Sub, or after the Closing, the Surviving Company, addressed as follows:

CryoLife, Inc.
1655 Roberts Blvd., NW
Kennesaw, GA 30144
Attention: Jean F. Holloway
Facsimile No.: (770) 426-0031

with a copy (which shall not constitute notice) to:

Wilson Sonsini Goodrich & Rosati, Professional Corporation
900 South Capital of Texas Highway
Las Cimas IV, Fifth Floor
Austin, Texas 78746
Attention: Paul R. Tobias
Facsimile No.: (512) 338-5499

or to such other individual or address as a party hereto may designate for itself by notice given as herein provided.

10.4 Waivers. At any time prior to the Closing, the Company may (a) extend the time for the performance of any of the obligations or other acts of Parent or Merger Sub contained herein, (b) waive any inaccuracies in the representations and warranties of Parent or Merger Sub contained herein or in any document, certificate or writing delivered by Parent or Merger Sub pursuant hereto or (c) waive compliance by Parent or Merger Sub with any of the agreements or conditions contained herein. At any time prior to the Closing, Parent may (i) extend the time for the performance of any of the obligations or other acts of the Company or the Holders contained herein, (ii) waive any inaccuracies in the representations and warranties of the Company contained herein or in any document, certificate or writing delivered by the Company or Holders pursuant hereto or (iii) waive compliance by the Company and the Holders with any of the agreements or conditions contained herein. Any agreement on the part of any party to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party. The failure of a party hereto at any time or times to require performance of any provision hereof shall in no manner affect its right at a later time to enforce the same. No waiver by a party of any condition or of any breach of any term, covenant, representation or warranty contained in this Agreement shall be effective unless in writing, and no waiver in any one or more instances shall be deemed to be a further or continuing waiver of any such condition or breach in other instances or a waiver of any other condition or breach of any other term, covenant, representation or warranty.

10.5 Counterparts. This Agreement may be executed in counterparts, and such counterparts may be delivered in electronic format (including by fax and email). Such delivery of counterparts shall be conclusive evidence of the intent to be bound hereby, and each such counterpart and copies produced therefrom shall have the same effect as an original. To the extent applicable, the foregoing constitutes the election of the parties hereto to invoke any Laws authorizing electronic signatures.

10.6 Interpretation. The headings preceding the text of Articles and Sections included in this Agreement are for convenience only and shall not be deemed part of this Agreement or be given any effect in interpreting this Agreement; provided, however, that the headings and section references in the Company Disclosure Letter and Parent Disclosure Letter shall be deemed a part of this Agreement and be given effect in interpreting this Agreement. As such, the representations and warranties are solely for the benefit of the parties to this Agreement. The use of the masculine, feminine or neuter gender herein shall not limit any provision of this Agreement. The use of the terms “including” or “include” shall in all cases herein mean “including, without limitation” or “include, without limitation,” respectively. References to Articles, Sections or Exhibits without attribution to another document shall refer to those portions of this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term in this Agreement the singular. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic format) in a visible form. If any action under this Agreement is required to be done or taken on a day that is not a Business Day, then such action shall be required to be done or taken not on such day but on the first succeeding Business Day thereafter. The words “hereby”, “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Any capitalized term used in any Exhibit, the Company Disclosure Letter or the Parent

Disclosure Letter but not otherwise defined therein shall have the meaning given to such term in this Agreement. All references to dollars or to "$" shall be references to United States dollars. The word "will" shall be construed to have the same meaning as the word "shall." The phrase "to the extent" shall mean the extent or degree to which a subject or thing extends, and shall not simply be construed to mean the word "if." For purposes of this Agreement, references to the term "delivered by the Company," "delivered to Parent," "furnished to Parent," "made available to Parent" or similar expressions will mean that the Company has posted true, complete and accurate copies of such materials to the electronic data room maintained by the Company at http://www.merrillcorp.com and has given Parent and its representatives access to the materials so posted not less than 72 hours prior to the execution and delivery of this Agreement; provided, however, that the disclosure of officers, employees and consultants of the Company and the Subsidiaries contemplated by Section 3.13(d) hereof may be updated via email to Parent or its designated representative less than 72 hours, but in no event less than 24 hours prior to the execution of this Agreement.

10.7 APPLICABLE LAWS. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAW OF ANY JURISDICTION. NOTWITHSTANDING THE FOREGOING, EACH OF THE PARTIES TO THIS AGREEMENT AGREES THAT THE DEBT COMMITMENTS AND THE FINANCING AGREEMENTS, AND ALL DISPUTES, CONTROVERSIES, CLAIMS OR ACTIONS OF ANY KIND OR DESCRIPTION (WHETHER AT LAW, IN CONTRACT OR IN TORT) THAT MAY BE BASED UPON, ARISE OUT THEREOF OR RELATE THERETO, OR THE NEGOTIATION, EXECUTION OR PERFORMANCE THEREOF, SHALL, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED THEREIN, BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE DOMESTIC LAWS OF THE STATE OF NEW YORK WITHOUT REGARD OR GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF SUCH STATE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN SUCH STATE.

10.8 Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

10.9 Assignment. This Agreement and all of the provisions hereof shall be binding upon and shall inure to the benefit of and be enforceable by the parties hereto and their respective heirs, successors and permitted assigns; provided that Merger Sub may assign (in whole but not in part) its rights and obligations under this Agreement to another wholly owned Subsidiary of Parent; provided, further, that any assignment pursuant to the preceding proviso shall not relieve Parent and Merger Sub of any obligation under this Agreement; and provided further, that Parent may collaterally assign its rights (but not its obligations) under this Agreement to any lender (including any Financing Source) providing financing to Parent or Merger Sub or otherwise in connection with the transactions contemplated hereby. Any purported assignment in contravention of this Section 10.9 shall be null and void.

10.10 Third Party Beneficiaries. This Agreement is solely for the benefit of the parties hereto (and their successors, permitted assignees, and heirs, executors and administrators) and, except for Section 5.8, Article IX, Section 10.11 and the immediately following proviso, no provision of this Agreement shall be deemed to confer upon any Person that is not a party to this Agreement, either express or implied, any remedy, claim, liability, reimbursement, cause of action or other right; provided, however, that each member of the Financing Group is an intended third-party beneficiary of (i) any liability cap or other limitation on remedies or damages in this Agreement that are for the benefit of Parent, Merger Sub or the Surviving Company, and (ii) the provisions of Section 8.3 (Effect of Termination), Section 8.4 (Specific Performance), Section 10.7 (Applicable Laws), this Section 10.10 (Third Party Beneficiaries), Section 10.11 (Certain Limitations on Remedies), Section 10.14 (Entire Understanding), Section 10.15 (Jurisdiction of Disputes) and Section 10.16 (Waiver of Jury Trial), and each such Section will be enforceable by each member of the Financing Group, and none of such Sections may be amended, modified or supplemented without the express written consent of a majority in interest of the Financing Sources.

10.11 No Recourse; Certain Limitations on Remedies.

(a) Notwithstanding anything to the contrary herein, no Financing Source shall have any liability to the Company or the Holders for any obligation or liability, or for any claim for any loss suffered as a result of Parent's or Merger Sub's breach of this Agreement or the Debt Commitment Letter, or any document related thereto (including any willful breach thereof) or the failure of the transactions contemplated hereby or thereby to be consummated, or in respect of any oral or written representation made or alleged to have been made, in connection herewith or therewith, whether at equity, at law, in contract, in tort or otherwise. In no event shall any member of the Financing Group have liability to the Company or any Holder under this Agreement for any consequential, special, incidental, indirect or punitive damages or for any damages of a tortious nature.

(b) Notwithstanding anything to the contrary contained in this Agreement, the Company and each of the Holders acknowledges and agrees that (i) neither the Company nor any of its Subsidiaries derive any contractual rights, whether as third party beneficiary or otherwise, under the Debt Commitment Letter and will not be entitled to enforce the Debt Commitment Letter against any agent, arranger, bookrunner, lender, letter of credit issuer or other financing party that is a party to the Debt Commitment Letter (including the Financing Sources), any of their respective Affiliates or any of their respective officers, directors, employees, agents and representatives and their successors and assigns (collectively, the "Financing Group"), (ii) the Company and each Subsidiary thereof and each Holder waives and agrees not to pursue any claim (including any claim under contracts, any claim in tort and any claim for specific performance) it may have against any member of the Financing Group with respect to the failure of the Financing to close, (iii) no member of the Financing Group shall have any liability to the Company, any Subsidiary thereof or any of their respective Affiliates or any of the Holders hereunder, and (iv) the members of the Financing Group will have no obligation to provide any Financing except in accordance with the terms and conditions of the Debt Commitment Letter.

10.12 Stockholders' Representative.

(a) Upon receipt of the Company Stockholder Approval, Fortis Advisors LLC shall be the "Stockholders' Representative" hereunder and shall have the power and authority specified in this Agreement to act on behalf of the Holders, and Fortis Advisors LLC hereby accepts such appointment. In the event that Parent receives from Fortis Advisors LLC notice of Fortis Advisors LLC's resignation or inability to act as Stockholders' Representative, Holders that received least sixty-five percent (65%) of the Merger consideration paid shall select a successor Stockholders' Representative no later than ten (10) Business Days after notice of such resignation or inability to serve. The Stockholders' Representative's resignation shall be effective upon the earlier of (A) thirty (30) calendar days following delivery of Parent's receipt of written notice of such resignation or (B) the appointment of a successor by Holders holding a majority-in-interest of the Escrowed Amounts.

(b) Each Holder, either by adopting this Agreement or by executing a Joinder Agreement or Option Cancellation Agreement, shall be deemed to constitute and appoint the Stockholders' Representative as its, his or her true and lawful attorney in fact and exclusive agent under this Agreement and the Escrow Agreement, with full power in its, his or her name and on its, his or her behalf:

(i) to act on behalf of the Holders according to the terms of this Agreement and the Escrow Agreement, including the power to amend this Agreement and the Escrow Agreement; to give and receive notices on behalf of such Holder; and to act on behalf of such Holder in connection with any matter as to which the Holders, are an "Indemnified Party" or "Indemnifying Party" under Article IX; all in the absolute discretion of the Stockholders' Representative, including without limitation to make payments or withhold from distribution from the Indemnification Escrow Account and the Adjustment Reserve for payment to the Escrow Agent as set forth in the Escrow Agreement, which such amounts shall be retained an disbursed in accordance with the provisions of the Escrow Agreement;

(ii) to act on behalf of the Holders in connection with the review and finalization of the Final Adjustment pursuant to Section 2.10, including in connection with authorizing any payments on behalf of the Holders in connection therewith;

(iii) to investigate, negotiate, prosecute and defend, to resolve and settle by arbitration, judicial action or otherwise, any claim of or against the Holders or the Stockholders' Representative under this Agreement or otherwise, and to authorize indemnification or other payments from the Indemnification Escrow Account, the Adjustment Reserve or otherwise, in accordance with this Agreement and to authorize the payment or satisfaction of any obligation of or on account of the Holders under this Agreement;

(iv) to engage attorneys, accountants and other advisors, at the Holders' expense (such expenses to be paid pursuant to Section 10.12(j)); and

(v) in general, to do all things and to perform all acts, including executing and delivering all agreements, guarantees, orders, endorsements, notices, requests, stock powers, certificates, receipts, instructions, letters and other instruments contemplated by or deemed advisable in connection with this Agreement and the Escrow Agreement.

Notwithstanding the foregoing, the Stockholders' Representative shall have no obligation to act on behalf of the Holders, except as expressly provided herein and in the Escrow Agreement, and for purposes of clarity, there are no obligations of the Stockholders' Representative in any other ancillary agreement, schedule, exhibit or the Company Disclosure Letter.

(c) These powers of attorney, and all authority thereby conferred, immunities and rights to indemnification granted to the Representative Group (as defined below) hereunder (i) are coupled with an interest and are being granted in consideration of the mutual covenants and agreements made herein and shall be irrevocable and shall not be terminated by any act of any Holder or by operation of Law, whether by the merger, dissolution, death, bankruptcy or incapacity of any Holder, as applicable, or by the occurrence of any other event, and (ii) shall survive the delivery of an assignment by any Holder of the whole or any fraction of his, her or its interest in the Escrow Amount and the Adjustment Reserve. All action taken by the Stockholders' Representative hereunder shall be final and binding upon all Holders and such Holders' successors as if expressly ratified and confirmed in writing by each Holder, and all defenses which may be available to the Holders to contest, negate or disaffirm the action of the Stockholders' Representative taken in good faith under this Agreement or the Escrow Agreement are waived. Parent, Merger Sub, the Surviving Company, the Escrow Agent and the Exchange Agent may rely upon any such action as being the decision, act, consent or instruction of each and every such Holder. Parent, Merger Sub, the Surviving Company, the Escrow Agent and the Exchange Agent shall be relieved from any Losses to any Person for any acts done by them in accordance with such decision, act, consent or instruction of the Stockholders' Representative.

(d) EACH HOLDER ACKNOWLEDGES AND AGREES THAT, BY APPOINTING THE STOCKHOLDERS' REPRESENTATIVE AND GRANTING SUCH AGENT THE APPLICABLE AUTHORITY CONTEMPLATED BY THIS SECTION 10.12, EACH SUCH HOLDER IS WAIVING THE RIGHT TO INDEPENDENTLY MAKE DECISIONS ABOUT THE AMOUNT OF CONSIDERATION SUCH HOLDER WILL RECEIVE UNDER CERTAIN CIRCUMSTANCES.

(e) Except as set forth in the engagement agreement with the Stockholders' Representative or as otherwise agreed upon by the Holders, the Stockholders' Representative shall not be entitled to any fee, commission or other compensation for the performance of its service hereunder.

(f) In dealing with this Agreement and any instruments, agreements or documents relating thereto, and in exercising or failing to exercise all or any of the powers conferred upon the Stockholders' Representative hereunder or thereunder:

(i) the Stockholders' Representative shall not assume any, and shall incur no, responsibility whatsoever to any Holder by reason of any error in judgment or other act or omission performed or omitted hereunder or in connection with this Agreement or any instruments, agreements or documents relating thereto, unless by the Stockholders' Representative's gross negligence or willful misconduct, and

(ii) the Stockholders' Representative shall be entitled to conclusively rely on: (A) the advice of counsel, public accountants or other independent experts experienced in the matter at issue, and any error in judgment or other act or omission of the Stockholders' Representative pursuant to such advice shall in no event subject the Stockholders' Representative to liability to any Holder unless by the Stockholders' Representative's gross negligence or willful misconduct, (B) any statements furnished to the Stockholders' Representative by the Holders or Parent and (C) the Merger Consideration Table, and (D) any signature believed by it to be genuine. The Stockholders' Representative shall be entitled to reasonably assume that a signatory has proper authorization to sign on behalf of the applicable Holder or other party. Except as set forth in the previous sentence, notwithstanding anything to the contrary contained herein, the Stockholders' Representative, in its role as Stockholders' Representative, shall have no liability whatsoever to the Company, Parent or any other Person.

(g) All of the immunities and powers granted to the Representative Group under this Agreement shall survive the Closing and the termination of this Agreement and the Escrow Agreement.

(h) Any notice or communication given or received by, and any decision, action, failure to act within a designated period of time, agreement, consent, settlement, resolution or instruction of, the Stockholders' Representative that is within the scope of the Stockholders' Representative's authority under this Section 10.12 shall constitute a notice or communication to or by, or a decision, action, failure to act within a designated period of time, agreement, consent, settlement, resolution or instruction of all the Holders and shall be final, binding and conclusive upon each such Holder; and each Indemnified Party and Indemnifying Party shall be entitled to rely upon any such notice, communication, decision, action, failure to act within a designated period of time, agreement, consent, settlement, resolution or instruction as being a notice or communication to or by, or a decision, action, failure to act within a designated period of time, agreement, consent, settlement, resolution or instruction of, each such Holder.

(i) Certain Holders have entered into an engagement agreement with the Stockholders' Representative to provide direction to the Stockholders' Representative in connection with the performance of its services under this Agreement and the Escrow Agreement (such Holders, including their individual representatives, collectively hereinafter referred to as the "Advisory Group"). Neither the Stockholders' Representative nor its members, managers, directors, officers, contractors, agents and employees nor any member of the Advisory Group (collectively, the "Representative Group"), shall be liable to any Holders arising out of or in connection with the acceptance or administration of the Stockholders' Representative's duties hereunder, under the Escrow Agreement or under any Stockholders' Representative engagement agreement, in each case,

without gross negligence or willful misconduct. The Holders appointing the Stockholders' Representative do hereby severally (in accordance with their Pro Rata Share) agree to indemnify, defend and hold the Representative Group harmless from and against any and all Liability, claim, loss, cost, damage, judgment, fine, amount paid in settlement, fee or expense (including fees, disbursements and costs of attorneys and other skilled professionals and in connection with seeking recovery from insurers) (collectively, the "Representative Expenses") reasonably incurred or suffered as a result of the performance of such Stockholders' Representative's duties under this Agreement or the Escrow Agreement except for any such Liability arising out of the gross negligence or willful misconduct of the Stockholders' Representative. Such Representative Expenses may be recovered first, from the Expense Fund, second, from any consideration being distributed to the Holders from the Indemnification Escrow Account and the Adjustment Reserve, and third, directly from the Holders. The Holders acknowledge that the Stockholders' Representative shall not be required to expend or risk its own funds or otherwise incur any financial liability in the exercise or performance of any of its powers, rights, duties or privileges or administration of its duties. Furthermore, the Stockholders' Representative shall not be required to take any action unless the Stockholders' Representative has been provided with funds, security or indemnities which, in its determination, are sufficient to protect the Stockholders' Representative against the costs, expenses and liabilities which may be incurred by the Stockholders' Representative in performing such actions. The immunities and rights to indemnification shall survive the resignation or removal of the Stockholders' Representative or any member of the Advisory Group and the Closing and/or any termination of this Agreement and the Escrow Agreement.

(j) Upon the Closing, Parent shall wire to the Stockholders' Representative $100,000.00 (the "Administrative Expense Amount"). The Administrative Expense Amount shall be held by the Stockholders' Representative as agent and for the benefit of the Holders in a segregated non-interest-bearing client account and shall be used (i) for the purposes of paying directly, or reimbursing the Stockholders' Representative for, any Representative Expenses incurred pursuant to this Agreement or any Stockholders' Representative letter agreement, or (ii) as otherwise determined by the Advisory Group (the "Expense Fund"). The Stockholders' Representative is not providing any investment supervision, recommendations or advice and shall have no responsibility or liability for any loss of principal of the Expense Fund other than as a result of its gross negligence or willful misconduct. The Stockholders' Representative is not acting as a withholding agent or in any similar capacity in connection with the Expense Fund, and has no tax reporting or income distribution obligations hereunder. The Stockholders' Representative is authorized to replenish the Expense Fund from any consideration being distributed to the Holders or to reserve such additional amounts as the Stockholders' Representative deems necessary in its discretion. As soon as reasonably determined by the Stockholders' Representative that the Expense Fund is no longer required to be withheld, the Stockholders' Representative shall distribute the remaining Expense Fund (if any) to the Exchange Agent (in the case of holders of Company Capital Stock) and Parent's or the Surviving Company's, as applicable, payroll administrator (in the case of holders of Company Options and participants in the Transaction Bonus Pool), for further distribution to the Holders in accordance with their Pro Rata Shares and subject to prior compliance with the procedures set forth in Section 2.9.

10.13 Further Assurances. Upon the reasonable request of Parent or the Surviving Company, each party will, on and after the Closing Date, execute and deliver to the other parties such other documents, assignments and other instruments as may be reasonably required to effectuate the Merger and to effect and evidence the provisions of this Agreement and the transactions contemplated hereby.

10.14 Entire Understanding. The Exhibits, the Company Disclosure Letter and the Parent Disclosure Letter identified in this Agreement are incorporated in this Agreement by reference and made a part this Agreement. This Agreement and the Confidentiality Agreements set forth the entire agreement and understanding of the parties hereto and thereto with respect to the subject matter hereof and thereof and supersede any and all prior agreements, arrangements and understandings among the parties hereto and thereto with respect to the subject matter hereof and thereof.

10.15 JURISDICTION OF DISPUTES.

(a) IN THE EVENT ANY PARTY TO THIS AGREEMENT COMMENCES ANY LITIGATION, PROCEEDING OR OTHER LEGAL ACTION IN CONNECTION WITH OR RELATING TO NEGOTIATION, EXPLORATION, DUE DILIGENCE WITH RESPECT TO OR ENTERING INTO OF THIS AGREEMENT OR ANY MATTERS DESCRIBED OR CONTEMPLATED HEREIN, THE PARTIES TO THIS AGREEMENT HEREBY (A) AGREE THAT ANY SUCH LITIGATION, PROCEEDING OR OTHER LEGAL ACTION SHALL BE INSTITUTED EXCLUSIVELY IN A COURT OF COMPETENT JURISDICTION LOCATED WITHIN THE STATE OF DELAWARE, WHETHER A STATE OR FEDERAL COURT; (B) AGREE THAT IN THE EVENT OF ANY SUCH LITIGATION, PROCEEDING OR ACTION, SUCH PARTIES WILL CONSENT AND SUBMIT TO PERSONAL JURISDICTION IN ANY SUCH COURT DESCRIBED IN CLAUSE (A) OF THIS SECTION 10.15 AND TO SERVICE OF PROCESS UPON THEM IN ACCORDANCE WITH THE RULES AND STATUTES GOVERNING SERVICE OF PROCESS; (C) AGREE TO WAIVE TO THE FULL EXTENT PERMITTED BY LAW ANY OBJECTION THAT THEY MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH LITIGATION, PROCEEDING OR ACTION IN ANY SUCH COURT OR THAT ANY SUCH LITIGATION, PROCEEDING OR ACTION WAS BROUGHT IN AN INCONVENIENT FORUM; (D) AGREE AS AN ALTERNATIVE METHOD OF SERVICE TO SERVICE OF PROCESS IN ANY LEGAL PROCEEDING BY MAILING OF COPIES THEREOF TO SUCH PARTY AT ITS ADDRESS SET FORTH IN SECTION 10.3 FOR COMMUNICATIONS TO SUCH PARTY; (E) AGREE THAT ANY SERVICE MADE AS PROVIDED HEREIN SHALL BE EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT; AND (F) AGREE THAT NOTHING HEREIN SHALL AFFECT THE RIGHTS OF ANY PARTY TO EFFECT SERVICE OF PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

(b) NOTWITHSTANDING THE FOREGOING, EACH PARTY AGREES THAT SUCH PARTY SHALL NOT BRING OR SUPPORT ANY DISPUTE, CONTROVERSY, CLAIM OR ACTION OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR IN EQUITY, AGAINST ANY MEMBER OF THE FINANCING GROUP IN ANY WAY RELATING TO THIS AGREEMENT, THE DEBT COMMITMENTS OR THE FINANCING AGREEMENTS OR ANY

OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (INCLUDING THE FINANCING), INCLUDING ANY DISPUTE, CONTROVERSY, CLAIM OR ACTION ARISING OUT OF OR RELATING TO THE FINANCING OR THE PERFORMANCE THEREOF, IN ANY FORUM OTHER THAN THE SUPREME COURT OF THE STATE OF NEW YORK, COUNTY OF NEW YORK, OR IF UNDER APPLICABLE LAWS EXCLUSIVE JURISDICTION IS VESTED IN THE FEDERAL COURTS, THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK (AND THE APPELLATE COURTS THEREOF). EACH OF THE PARTIES TO THIS AGREEMENT (I) IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF EACH SUCH COURT IN ANY SUCH DISPUTE, CONTROVERSY, CLAIM OR ACTION, (II) WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE TO VENUE OR TO AN INCONVENIENT FORUM, (III) AGREES THAT ALL SUCH DISPUTES, CONTROVERSIES, CLAIMS AND ACTIONS SHALL BE HEARD AND DETERMINED ONLY IN SUCH COURTS AND (IV) WAIVES ANY RIGHT TO TRIAL BY JURY IN RESPECT OF ANY SUCH DISPUTE, CONTROVERSY, CLAIM OR ACTION.

10.16 WAIVER OF JURY TRIAL. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES OF FACT AND LAW, AND THEREFORE, EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY OTHERWISE HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THE NEGOTIATION, EXPLORATION, DUE DILIGENCE WITH RESPECT TO OR ENTERING INTO OF THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) 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, (B) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) EACH PARTY MAKES THIS WAIVER KNOWINGLY AND VOLUNTARILY, AND (D) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.16.

10.17 Disclosure Letters. Disclosure in any section or subsection of the Company Disclosure Letter or the Parent Disclosure Letter shall apply only to the indicated Section of this Agreement, except to the extent that it is reasonably apparent on the face of such disclosure that such disclosure is applicable to or relevant to another Section of this Agreement. The inclusion of information in the Company Disclosure Letter or the Parent Disclosure Letter shall not be construed as an admission that such information is material to any of the Company or its Subsidiaries or to any of Parent or its Subsidiaries, as applicable. In addition, matters reflected in the Company Disclosure Letter or the Parent Disclosure Letter are not necessarily limited to matters required by this Agreement to be reflected in the Company Disclosure Letter or the Parent Disclosure Letter. Such additional matters are set forth for informational purposes only and do not necessarily include other matters of a similar nature. Neither the specifications of any dollar amount in any representation,

warranty or covenant contained in this Agreement nor the inclusion of any specific item in the Company Disclosure Letter or the Parent Disclosure Letter is intended to imply that such amount, or higher or lower amounts, or the item so included or other items, are or are not material, and shall not be construed as an admission of liability or responsibility under any Law or in any dispute or controversy.

10.18 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction specified in Section 10.15 declares that any term or provision hereof is invalid or unenforceable, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible to the fullest extent permitted by applicable Laws in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

10.19 Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, the language shall be construed as mutually chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party. Any reference to any federal, state, local or foreign statute or Laws shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise.

10.20 Attorney-Client Privilege.

(a) Andrews Kurth LLP ("Company Party Counsel") has acted as counsel, and until the Effective time will act as counsel, for the Company and its Subsidiaries and the Stockholders' Representative (together, the "Company Parties") in connection with this Agreement and the transactions contemplated hereby (the "Acquisition Engagement"), and, in that connection, not as counsel for any other Person, including, without limitation, Parent or any of its Affiliates. Each of the Company, the Stockholders' Representative, Parent and Merger Sub acknowledges and agrees, on its own behalf and on behalf of its directors, members, partners, officers, employees, and Affiliates to all of the matters set forth in this section.

(b) Only the Company Parties shall be considered clients of Company Party Counsel in the Acquisition Engagement. To the extent that communications since October 1, 2013 (the "Engagement Date"), between a Company Party, on the one hand, and Company Party Counsel, on the other hand, relate to the Acquisition Engagement, such communication shall be deemed to be attorney-client confidences that belong solely to the Stockholders' Representative, for and on behalf of the Holders, and not the Company or any of its Subsidiaries. Neither Parent nor any of its Affiliates, including the Surviving Company, shall have access to (and each hereby waives any right of access it may otherwise have with respect to) any such communications or the files or work product of Company Party Counsel since the Engagement Date, to the extent that they relate to the

Acquisition Engagement, whether or not the Closing occurs. Without limiting the generality of the foregoing, Parent and its Affiliates, including the Surviving Company, acknowledge and agree, upon and after the Closing, unless the attorney-client privilege with respect to the Acquisition Engagement is otherwise relinquished: (i) the Stockholders' Representative, for and on behalf of the Holders, and Company Party Counsel shall be the sole holders of the attorney-client privilege with respect to the Acquisition Engagement, and neither Parent nor any of its Affiliates, including the Surviving Company, shall be a holder thereof; (ii) to the extent that files or work product of Company Party Counsel in respect of the Acquisition Engagement constitute property of the client, only the Stockholders' Representative for and on behalf of the Holders, shall hold such property rights and have the right to waive or modify such property rights; and (iii) except as set forth in Section 9.3, neither Parent or any of its Affiliates has the authority to compel Company Party Counsel to reveal or disclose any such attorney-client communications, files or work product to Parent or any of its Affiliates, including the Surviving Company, by reason of any attorney-client relationship between Company Party Counsel and the Company, any of its Subsidiaries; provided, however, that, (x) to the extent any communication is both related and unrelated to the Acquisition Engagement, Company Party Counsel shall provide (and the Stockholders' Representative, for and on behalf of the Holders, shall instruct Company Party Counsel to provide) appropriately redacted versions of such communications, files or work product to Parent, and (y) none of the Company, any of its Subsidiaries, the Holders, the Stockholders' Representative (for and on behalf of the Holders), or Company Party Counsel shall waive or modify the attorney-client privilege or, in the case of Company Party Counsel files or work product, other confidentiality or property rights, with respect to the Acquisition Engagement without the prior written consent of Parent or the Surviving Company.

[*Signature pages follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first above written.

ON-X LIFE TECHNOLOGIES HOLDINGS, INC.

By: /s/ Clyde Baker
Name: Clyde Baker
Title: Chief Executive Officer and President

CRYOLIFE, INC.

By: /s/ D. Ashley Lee
Name: D. Ashley Lee
Title: Executive Vice President, Chief Operating Officer and Chief Financial Officer

CAST ACQUISITION CORPORATION

By: /s/ D. Ashley Lee
Name: D. Ashley Lee
Title: President and Chief Financial Officer

Stockholders' Representative

FORTIS ADVISORS LLC

By: /s/ Rick Fink
Name: Rick Fink
Title: CEO & Managing Director

REGISTRATION RIGHTS AGREEMENT

This **REGISTRATION RIGHTS AGREEMENT** (this "*Agreement*"), dated as of January 20, 2016, is by and between CryoLife, Inc., a Florida corporation (the "*Company*"), and each of the Persons set forth on the signature pages hereto (the "*Investors*"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings set forth in the Merger Agreement.

RECITALS

WHEREAS, the Company and On-X Life Technologies Holdings, Inc., a Delaware corporation ("*On-X*"), are parties to that certain Agreement and Plan of Merger, dated as of December 22, 2015 (the "*Merger Agreement*"), pursuant to which a subsidiary of the Company merged with On-X in exchange for a combination of cash and newly issued shares of the Company's common stock ("*Common Stock*"), as provided for therein;

WHEREAS, as a result of and immediately following the consummation of the transactions contemplated by the Merger Agreement, each Investor shall own shares of Common Stock of the Company; and

WHEREAS, in connection with the consummation of the transactions contemplated by the Merger Agreement, the Company and each Investor desires to enter into this Agreement to set forth certain rights and obligations of the Company and the Investors.

AGREEMENT

NOW, THEREFORE, in consideration of the premises, the representations, warranties, covenants and agreements contained herein and in the Merger Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, intending to be legally bound hereby, the Company and the Investors each hereby agree as follows:

1. Definitions.

(a) "Affiliate" means, with respect to any person, any other person which directly or indirectly controls, is controlled by, or is under common control with, such person.

(b) "*Closing*" shall have the meaning set forth in Section 1.1 of the Merger Agreement.

(c) "*Closing Date*" shall have the meaning set forth in Section 1.1 of the Merger Agreement.

(d) "*Lockup Agreement*" shall have the meaning set forth in Section 2.2(b) of the Merger Agreement.

(e) "*Person*" means an individual, corporation, partnership, joint venture, trust, association, estate, joint stock company, limited liability company, governmental authority or any other organization or entity of any kind.

(f) "*Proceeding*" means an action, claim, suit, investigation, inquiry or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition) by any judicial, regulatory or self-regulatory Person, whether commenced or threatened.

(g) "*register*," "*registered*," and "*registration*" refer to a registration effected by preparing and filing one or more Registration Statements in compliance with the Securities Act and pursuant to Rule 415 or any successor rule providing for offering of securities on a continuing basis and the declaration or ordering of effectiveness of such Registration Statement(s) by the SEC.

(h) "*Registrable Securities*" means all of the shares of Common Stock issued to any Investor as part of the Aggregate Accredited Equity Merger Consideration pursuant to the Merger Agreement at the Closing or any shares of Common Stock or other capital stock of the Company issuable in exchange for or otherwise with respect to such shares of Common Stock; provided, however, that any and/or all of such securities shall cease to be Registrable Securities at such time as (i) they have been sold under a Registration Statement, or (ii) they have been sold pursuant to Rule 144 or otherwise.

(i) "*Registration Statement*" means a registration statement or registration statements of the Company filed under the Securities Act covering the resale by the Investors of Registrable Securities, as such registration statement or registration statements may be amended and supplemented from time to time (including pursuant to Rule 462(b) under the Securities Act), including all documents filed as part thereof or incorporated by reference therein.

(j) "*Rule 144*" means Rule 144 promulgated by the SEC under the Securities Act, as such rule may be amended from time to time, or any other similar or successor rule or regulation of the SEC that may at any time permit the Investor to sell securities of the Company to the public without registration.

(k) "*Rule 415*" means Rule 415 promulgated by the SEC under the Securities Act, as such rule may be amended from time to time, or any other similar or successor rule or regulation of the SEC providing for offering securities on a delayed or continuous basis.

(l) "*SEC*" means the U.S. Securities and Exchange Commission or any successor entity.

(m) "*Securities Act"* means the Securities Act of 1933, as amended.

(n) "*Selling Stockholder Questionnaire*" means a questionnaire in the form attached as Annex A hereto, or such other form of questionnaire as may reasonably be adopted by the Company from time to time.

(o) "*Stockholder's Counsel*" means a single firm of legal counsel selected by the Investors holding a majority of the Registrable Securities to represent all Investors holding Registrable Securities covered by any registration.

2. Registration.

(a) The Company shall file a Registration Statement on Form S-3 (or, in the event Form S-3 is unavailable to the Company, Form S-1 or other then-available form) providing for the resale of all of the Registrable Securities held by the Investors in compliance with Rule 415, including the prospectus forming part of the Registration Statement, as promptly as reasonably practicable but in no event later than the later of (i) the date that is fifteen (15) Business Days following the date the On-X financial statements required to be filed as part of the Registration Statement that satisfy the requirements of Regulation S-X, as determined by the Company in its sole discretion, are delivered to the Company (including the consent of each auditor participating in the preparation of such financial statements whose consent is required for inclusion of such financial statements in the Registration Statement), or (ii) the date that is twenty (20) days after the Closing Date (such later date, the *"Filing Deadline"*); provided that the Company's obligation to file the Registration Statement shall be contingent upon each auditor referenced in clause (i) having provided a consent that is in full force and effect as of the applicable Filing Deadline. Such Registration Statement shall cover the resale on a continuous basis pursuant to Rule 415 of all Registrable Securities. In connection with the filing of the Registration Statement, the Company shall use reasonable best efforts to cause such Registration Statement to become effective within ninety (90) days after the Closing Date, and to remain effective as provided below. No registration pursuant to this Section 2 shall be an underwritten registration.

(b) The Company shall use reasonable best efforts to prepare and file with the SEC such amendments and supplements to the Registration Statement as may be necessary to keep the Registration Statement effective until the earliest of (i) October 16, 2016 (the "*End Date*"), and (ii) such time that all Registrable Securities covered by the Registration Statement are no longer Registrable Securities.

(c) The Company shall furnish to each Investor holding Registrable Securities such number of copies of such Registration Statement, each amendment and supplement thereto, and prospectus included therein, all exhibits and other documents filed therewith and such other documents as such Investor holding Registrable Securities may reasonably request, in order to facilitate the disposition of the Registrable Securities owned by such Investor; and the Company consents to the use of such registration statement and each amendment or supplement thereto by each of the Investors holding Registrable Securities in connection with the offering and sale of the Registrable Securities covered by such registration statement and any such amendment or supplement thereto.

(d) The Company shall use reasonable best efforts to (i) register or qualify such Registrable Securities covered by such registration in such U.S. states as each Investor holding Registrable Securities shall reasonably request, and (ii) do any and all other acts and things that may be reasonably necessary or advisable to qualify the Registrable Securities owned by such Investor for sale in such jurisdictions, except that the Company shall not for any such purpose be required to (A) qualify generally to do business as a foreign corporation in any state where, but

for the requirements of this subsection, it would not be obligated to be so qualified, (B) subject itself to taxation in any such state, (C) consent to general service of process in any such state, (D) provide any undertakings that cause the Company undue expense or burden or (E) make any change to the Company's charter or bylaws.

(e) The Company shall provide commercially reasonable assistance to the Investors to assist such Investors in their efforts to consummate the resale of Registrable Securities pursuant to the Registration Statement prior to the End Date, and pursuant to Rule 144 during the period from the End Date to the first (1st) anniversary of the Closing Date.

(f) The Company shall use reasonable best efforts to notify each Investor holding any Registrable Securities covered by the Registration Statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the Company becoming aware that the prospectus included in such Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, and at the request of any such Investor, subject to Section 2(i) below, prepare and furnish to such Investor a reasonable number of copies of an amended or supplemental prospectus as may be necessary so that, as thereafter delivered to Investor, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing.

(g) Subject to Section 2(i) below, the Company shall use reasonable best efforts to prevent the issuance of any stop order suspending the effectiveness of the Registration Statement or of any order preventing or suspending the use of any preliminary prospectus and, if any such order is issued, to obtain the withdrawal of any such order at the earliest reasonably possible moment.

(h) The Company shall cooperate with the Investors covered by the Registration Statement, if any, to facilitate the timely preparation and delivery of certificates or evidence of book-entry shares (in each case, not bearing any restrictive legends) representing securities to be sold under the Registration Statement, and enable such securities to be in such denominations and registered in such names as such Investors may request.

(i) The Company may, upon written notice to all the Investors holding Registrable Securities (each, a "*Blackout Notice*"), for a reasonable period of time, not to exceed 45 days in the case of clause (A) below or 30 days in the case of clause (B) below (a "*Blackout Period*"), (i) delay the filing of the Registration Statement or a request for acceleration of the effective date, (ii) suspend any offering pursuant to the Registration Statement after effectiveness or (iii) require that Investors immediately cease sales of Registrable Securities pursuant to the Registration Statement, in the event that (A) the Company is engaged in any activity or transaction or preparations or negotiations for any activity or transaction that the Company desires to keep confidential for business reasons, if the Company determines in good faith that the public disclosure requirements imposed on the Company under the Securities Act in connection with the Registration Statement would require at that time disclosure of such activity, transaction, preparations or negotiations and such disclosure could result in material harm to the Company or

its business transactions or activities, or (B) any other event occurs that makes any statement of a material fact made in the Registration Statement, including any document incorporated by reference therein, untrue or that requires the making of any additions or changes in the Registration Statement in order to make the statements therein not misleading; provided, however, that in the case of a Blackout Period pursuant to clause (A) above, the Blackout Period shall terminate upon the earlier of such 45 day period or the completion, resolution or public announcement of the relevant transaction or event. If the Company suspends the Registration Statement and requires the Investors holding Registrable Securities to cease offerings or sales of Registrable Securities pursuant to this section, the Company shall, as promptly as reasonably practicable following the termination of the circumstance which entitled the Company to do so, take such actions as may be necessary to file or reinstate the effectiveness of the Registration Statement and give written notice to all Investors holding Registrable Securities authorizing them to resume offerings and sales pursuant to the Registration Statement. If as a result thereof the prospectus included in the Registration Statement has been amended or supplemented to comply with the requirements of the Securities Act, the Company shall enclose such revised prospectus with the notice to Investors holding Registrable Securities given pursuant to this section, and the Investors holding Registrable Securities shall make no offers or sales of shares pursuant to the Registration Statement other than by means of such revised prospectus. Upon receiving any Blackout Notice from the Company, each Investor agrees to treat and keep the existence of such delay or suspension, as the case may be, confidential and that such Investor will not buy or sell or engage in any derivative or similar transactions with respect to any Company securities without the prior written consent of the Company, until the earlier of the expiration of the Blackout Period or the Company's written notice to the Investor that such transactions may resume. The Company shall be entitled to exercise its rights under this Section 2(i) up to three times in any six month period; provided, however, that the aggregate number of days of all Blackout Periods hereunder shall not exceed sixty (60) days in any twelve (12) month period. After the expiration of any Blackout Period and without further request from the Investors, the Company shall effect the filing (or if required amendment or supplement) of the Registration Statement, or the filing of other documents, as necessary to allow Investors to resell the Registrable Securities as set forth herein.

(j) The Company shall notify the Stockholder's Counsel and each Investor holding Registrable Securities promptly, and confirm the notice in writing (together with copies of the applicable notice, comments, request or stop order), (i) when the Registration Statement, or any post-effective amendment to the Registration Statement, shall have become effective, or any supplement to the prospectus or any amendment to the prospectus shall have been filed; (ii) of the receipt of any comments from the SEC relating to the Registration Statement; (iii) of any request of the SEC to amend the Registration Statement or amend or supplement the prospectus or for additional information; and (iv) of the issuance by the SEC of any stop order suspending the effectiveness of the Registration Statement or of any order preventing or suspending the use of any preliminary prospectus, or of the suspension of the qualification of the Registration Statement for offering or sale in any jurisdiction, or of the institution or threatening in writing to the Company of any proceedings for any of such purposes.

(k) The Company shall pay all fees and expenses in connection with compliance with its obligations under this Section 2, including all fees and expenses in connection with the filing of the Registration Statement, the registering of the Registrable Shares (including all fees and

expenses incurred in connection with the listing of the Registrable Shares on NYSE), fees and expenses of compliance with securities or "blue sky" laws (including fees and expenses with respect to registrations and filings required to be made with the SEC, and NYSE), transfer agent fees, fees and disbursements of all independent certified public accountants, the maintenance of the effectiveness of the Registration Statement, including all registration, filing, qualification, printing, accounting and other fees and expenses, except that the Company shall not be responsible for the fees of any representative of or counsel to the Investors, including without limitation the Stockholder's Counsel, any underwriting discounts or commissions, broker or dealer commissions, transfer taxes relating to the sale of the shares, or any other out-of-pocket expenses of the Investors other than as specified above.

(l) Except as set forth in the following sentence, notwithstanding anything in this Agreement to the contrary, the Company shall not have any obligations under this Agreement until such time, if any, as the On-X financial statements required to be filed as part of the Registration Statement satisfy the requirements of Regulation S-X, as determined by the Company in its sole discretion. In the event that (i) On-X's 2015 audited financial statements (the "*2015 Financials*") are required to be filed as part of the Registration Statement and (ii) the 2015 Financials have not been delivered by On-X prior to the Closing (but subject to On-X's compliance with Section 5.5(d) of the Merger Agreement), then the Company will use reasonable efforts to prepare the 2015 Financials following the Closing. The Company shall use reasonable efforts to obtain each auditor's consent referenced in Section 2(a) hereof.

3. Additional Obligations.

(a) As a condition precedent to registering any Registrable Securities, the Company may require each Investor holding Registrable Securities as to which any registration is being effected to furnish the Company with such information regarding such Person as may be necessary to satisfy the disclosure requirements relating to the registration and the distribution of such securities as the Company may from time to time reasonably request. Each such Investor holding Registrable Securities shall promptly notify the Company in writing of any changes in the information set forth in the Registration Statement after it is prepared regarding such Investor. The Company shall hold in confidence and not make any disclosure of information concerning an Investor provided to the Company pursuant to this Section 3(a) unless: (i) disclosure of such information is necessary to comply with federal or state securities laws or the Company's obligations under this Agreement, (ii) the disclosure of such information is necessary to avoid or correct a misstatement or omission in any Registration Statement, (iii) the release of such information is ordered pursuant to a subpoena or other order from a court or governmental body of competent jurisdiction, (iv) such information has been made generally available to the public other than by disclosure in violation of this or any other agreement or (v) such Investor consents to the form and content of any such disclosure. The Company agrees that it shall, upon learning that disclosure of such information concerning an Investor is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt notice to such Investor prior to making such disclosure, and allow the Investor, at its expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, such information. Notwithstanding the foregoing, the Investors acknowledge and agree that the Merger Agreement and any other agreement in connection with the Merger that are required, as determined by the Company in its sole discretion, to be filed with the SEC shall be filed with the SEC.

(b) Each Investor agrees to furnish to the Company a completed Selling Stockholder Questionnaire not more than ten (10) days following the Closing Date and to respond to each Company request for further information no later than seven (7) days following the date of such request. Each Investor further agrees that it shall not be entitled to be named as a selling securityholder in the Registration Statement or use the prospectus for offers and resale of Registrable Securities at any time, unless such Investor has returned to the Company a completed and signed Selling Stockholder Questionnaire and a response to any requests for further information as described in the previous sentence within the required time frames. Each Investor acknowledges and agrees that the information in the Selling Stockholder Questionnaire or request for further information as described herein will be used by the Company in the preparation of the Registration Statement, any prospectus, or any form of prospectus, or in any amendment or supplement thereto or in any preliminary prospectus, and hereby expressly consents to the inclusion of such information in the Registration Statement, any prospectus, or any form of prospectus, or in any amendment or supplement thereto or in any preliminary prospectus. Each Investor acknowledges and agrees that Investors who do not provide the required information within the specified time frames or who do not request that some or all of their Registrable Securities be included in the Registration Statement will not have the right to compel the Company to take any future action to register any Registrable Securities that are not included in the Registration Statement.

(c) Each of the Investors shall cooperate with the Company as reasonably requested by the Company in connection with the preparation and filing of each Registration Statement hereunder, unless such Investor has notified the Company in writing of such Investor's election to exclude all of such Investor's Registrable Securities from such Registration Statement.

(d) Each of the Investors covenants and agrees that it will comply with the prospectus delivery and other requirements of the Securities Act as applicable to it in connection with sales of Registrable Securities pursuant to a Registration Statement, and that it will not utilize any free writing prospectus or other written offering material, other than the prospectus contained in the Registration Statement, in connection with the offer and sale of any Registrable Securities.

(e) Any Investor that is subject to a Lockup Agreement covenants and agrees that nothing in this Agreement shall affect the provisions of such Lockup Agreement, and nothing set forth in this Agreement shall be construed to permit such Investor to sell, transfer, or dispose of any Registrable Securities if such sale, transfer, or disposition would be in violation of such Investor's Lockup Agreement.

(f) Each Investor covenants and agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 2(g) such Investor shall forthwith discontinue disposition of Registrable Securities pursuant to the Registration Statement covering such Registrable Securities until the Investor's receipt of the written notice from the Company authorizing the resumption of sales, and if so directed by the Company, such Investor shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in the Investor's possession of the prospectus covering such Registrable Securities which are not current at the time of receipt of such notice.

(g) For a period of one year following the Closing, the Company covenants to file timely (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof under the Exchange Act (including without limitation pursuant to Sections 13(a) or 15(d) of the Exchange Act). The Company further covenants that it shall take such further commercially reasonable actions, upon reasonable request by any Investor, to the extent required to enable such Investor to sell any such securities held by such Investor without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 promulgated under the Securities Act, including providing any legal opinions or a written statement by the Company as to its compliance with the adequate public information requirements of Rule 144. Upon the request of any Investor, the Company shall deliver to such Investor a written certification of a duly authorized officer as to whether it has complied with the adequate public information requirements of Rule 144.

(h) The Company shall provide a transfer agent and registrar, which may be a single entity, for the Registrable Securities not later than the effective date of the Registration Statement.

4. Representations and Warranties.

(a) Representations and Warranties of the Company. The Company hereby represents and warrants to each Investor that (i) it has been duly incorporated and is existing under the laws of the State of Florida; (ii) it has all requisite corporate power and authority, and has received all requisite approvals to complete the transactions contemplated hereby; and (iii) this Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and binding agreement enforceable against the Company in accordance with its terms.

(b) Representations and Warranties of the Investors. Each Investor hereby represents and warrants to the Company with respect to itself only that (i) if it is not a natural person, it has been duly organized and is existing under the laws of its jurisdiction of formation; (ii) it has all requisite power and authority and has received all requisite approvals to complete the transactions contemplated hereby; and (iii) this Agreement has been duly authorized, executed and delivered by such Person and constitutes a valid and binding agreement of such Person enforceable against such Person in accordance with its terms.

5. Indemnification.

(a) Indemnification by the Company. The Company shall, notwithstanding any termination of this Agreement, indemnify, defend and hold harmless (i) each Investor, (ii) the officers, directors, agents, partners, members, managers and employees of each Investor and (iii) each Person who controls any Investor (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) (collectively, the "*Investor Indemnified Parties*"), to the fullest extent permitted by applicable law, from and against any and all joint or several losses, claims, damages, liabilities, costs (including, without limitation, reasonable costs of preparation and investigation and reasonable attorneys' fees), and judgments, fines, penalties, charges, or settlement costs in respect of any Proceeding, and expenses (collectively, "*Damages*"), as incurred, that arise out of or are based upon (A) any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any prospectus or any form of prospectus

or in any amendment or supplement thereto or in any preliminary prospectus, or (B) any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein (in the case of any prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading; provided, however, that the Company shall not be liable to any Investor Indemnified Party in any such case to the extent that any such Damages arise out of or are based upon (1) any untrue statement or alleged untrue statement of a fact or omission or alleged omission of a fact (x) so made in reliance upon and in conformity with written information furnished to the Company by or on behalf of an Investor expressly for use therein or (y) arising out of any matter for which the Company or any other Parent Indemnitee is entitled to seek indemnification under the Merger Agreement, (2) information relating to such Investor or such Investor's proposed method of distribution of Registrable Securities which was reviewed and approved in writing by such Investor expressly for use in a Registration Statement, such prospectus or such form of prospectus or in any amendment or supplement thereto, or (3) in the case of an occurrence of an event of the type specified in Section 2(i), the use by such Investor of an outdated or defective prospectus after the Company has notified such Investor in writing that such prospectus is outdated or defective and prior to the correction of such defect. The Company shall notify the Investors promptly of its receipt of written notice of the institution, threat or assertion of any Proceeding arising from or in connection with the transactions contemplated by this Agreement of which the Company is aware. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of an Investor Indemnified Party, and shall survive any transfer of the Registrable Securities by the Investors in compliance with this Agreement.

(b) Indemnification by Investors. Each Investor shall, severally and not jointly, indemnify and hold harmless (i) the Company, (ii) its directors, officers, agents and employees, (iii) each Person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and (iv) the directors, officers, agents or employees of such controlling Persons (collectively, the "*Company Indemnified Parties*"), to the fullest extent permitted by applicable law, from and against all Damages, as incurred, that arise out of or are based upon (A) any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or (B) any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein (in the case of any prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, but only, with respect to (A) and (B) above, (i) to the extent that such untrue statements or omissions are based upon any untrue statement or alleged untrue statement of a fact or omission or alleged omission of a fact so made in reliance upon and in conformity with written information furnished to the Company by or on behalf of such Investor expressly for use therein, (ii) to the extent that such arise out of or are based upon information relating to such Investor or such Investor's proposed method of distribution of Registrable Securities which was reviewed and approved in writing by such Investor expressly for use in a Registration Statement, such prospectus or such form of prospectus or in any amendment or supplement thereto, or (iii) in the case of an occurrence of an event of the type specified in Section 2(i), the use by such Investor of an outdated or defective prospectus after the Company has notified such Investor in writing that such prospectus is outdated or defective and prior to the correction of such defect. Notwithstanding anything herein to the contrary, no Investor shall be liable hereunder to any Company Indemnified Party for any information which such Investor did not furnish to the

Company or otherwise review or for the use of an outdated or defective prospectus by a different Investor.

(c) Conduct of Indemnification Proceedings. If any Proceeding shall be commenced against any Person entitled to indemnity hereunder (an "*Indemnified Party*"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "*Indemnifying Party*") in writing, and the Indemnifying Party shall have the right to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all reasonable fees and expenses incurred in connection with defense thereof; provided, that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that such failure shall have actually prejudiced the Indemnifying Party.

An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless: (1) the Indemnifying Party has agreed in writing to pay such fees and expenses; (2) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding; or (3) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and such Indemnified Party shall have been advised in writing by outside counsel that a conflict of interest exists if the same counsel were to represent such Indemnified Party and the Indemnifying Party (in which case, if such Indemnified Party notifies the Indemnifying Party in writing that it elects to employ separate counsel at the expense of the Indemnifying Party, the Indemnifying Party shall not have the right to assume the defense thereof and the reasonable fees and expenses of such counsel shall be at the expense of the Indemnifying Party); provided, that the Indemnifying Party shall not be liable for the fees and expenses of more than one separate firm of attorneys at any time for all Indemnified Parties. The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld, delayed or conditioned. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding. In no event shall settlement of any such liability include any non-monetary limitation on the actions of any Indemnified Person or any of its Affiliates or any admission of fault or liability on behalf of any such Indemnified Person without such Indemnified Person's written consent.

Subject to the terms of this Agreement, all fees and expenses of the Indemnified Party (including reasonable fees and expenses to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section 5) shall be paid to the Indemnified Party, as incurred, within thirty (30) days of written notice thereof to the Indemnifying Party; provided, that the Indemnified Party shall promptly reimburse the Indemnifying Party for that portion of such fees and expenses applicable to such actions for which such Indemnified Party is finally judicially determined to not be entitled to indemnification hereunder).

(d) Contribution. If a claim for indemnification under Section 5(a) or 5(b) is prohibited by Law, then each Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Damages, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Damages as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Damages shall be deemed to include, subject to the limitations set forth in this Agreement, any reasonable attorneys' or other reasonable fees or expenses incurred by such party in connection with any Proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in this Section 5 was available to such party in accordance with its terms.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 5(d) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 5(d), no contribution will be made under circumstances where the maker of such contribution would not have been required to indemnify the Indemnified Party under the fault standards set forth in this Section 5. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

The indemnity and contribution agreements contained in this Section 5 are in addition to any liability that the Indemnifying Parties may have to the Indemnified Parties and are not in diminution or limitation of the indemnification provisions under the Merger Agreement.

6. Miscellaneous.

(a) Assignment of Registration Rights. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Investors holding a majority of the Registrable Securities. Each Investor may assign its respective rights with respect to any or all of its Registrable Securities in connection with an assignment of such securities; provided in each case that (i) the Investor agrees in writing with the transferee or assignee to assign such rights and related obligations under this Agreement, and for the transferee or assignee to assume such obligations, and a copy of such agreement is furnished to the Company within a reasonable time after such assignment, (ii) the Company is, within a reasonable time after such transfer or assignment, furnished with written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being transferred or assigned, (iii) at or before the time the Company received the written notice contemplated by clause (ii) of this sentence, the transferee or assignee agrees in writing with the Company to be bound by all of the provisions contained herein.

(b) Amendment and Waiver. No provision of this Agreement may be (i) amended other than by a written instrument signed by the Company and the Investors holding at least a majority of the Registrable Securities or (ii) waived other than in a written instrument signed by the party against whom enforcement of such waiver is sought. Failure of any party to exercise any right or remedy under this Agreement or otherwise, or delay by a party in exercising such right or remedy, shall not operate as a waiver thereof.

(c) Determination of Investor. Solely for purposes of this Agreement, a Person is deemed to be an Investor holding Registrable Securities whenever such Person owns or is deemed to own of record such Registrable Securities. If the Company receives conflicting instructions, notices or elections from two or more Persons with respect to the same Registrable Securities, the Company shall act upon the basis of instructions, notice or election received from such record owner of such Registrable Securities.

(d) Notices. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement shall be given in accordance with the Merger Agreement.

(e) Third Party Beneficiaries. Subject to compliance with the terms of this Agreement, this Agreement shall inure to the benefit of and be binding upon the permitted successors and assigns of each of the parties hereto. Except as provided in Section 5, this Agreement is not for the benefit of, nor may any provision hereof be enforced by, any Person, other than the parties hereto, their respective permitted successors and assigns.

(f) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof. The terms “including,” “includes,” “include” and words of like import shall be construed broadly as if followed by the words “without limitation.” The terms “herein,” “hereunder,” “hereof” and words of like import refer to this entire Agreement instead of just the provision in which they are found.

(g) Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. If any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

(h) Governing Law; Submission to Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by and construed in accordance with the internal Laws of the State of Delaware without giving effect to any choice or conflict of Law provision or rule (whether of the State of Delaware or any other jurisdiction).

(i) JURISDICTION OF DISPUTES. IN THE EVENT ANY PARTY TO THIS AGREEMENT COMMENCES ANY LITIGATION, PROCEEDING OR OTHER LEGAL

ACTION IN CONNECTION WITH OR RELATING TO NEGOTIATION, EXPLORATION, DUE DILIGENCE WITH RESPECT TO OR ENTERING INTO OF THIS AGREEMENT OR ANY MATTERS DESCRIBED OR CONTEMPLATED HEREIN, THE PARTIES TO THIS AGREEMENT HEREBY (A) AGREE THAT ANY SUCH LITIGATION, PROCEEDING OR OTHER LEGAL ACTION SHALL BE INSTITUTED EXCLUSIVELY IN A COURT OF COMPETENT JURISDICTION LOCATED WITHIN THE STATE OF DELAWARE, WHETHER A STATE OR FEDERAL COURT; (B) AGREE THAT IN THE EVENT OF ANY SUCH LITIGATION, PROCEEDING OR ACTION, SUCH PARTIES WILL CONSENT AND SUBMIT TO PERSONAL JURISDICTION IN ANY SUCH COURT DESCRIBED IN CLAUSE (A) OF THIS SECTION 60 AND TO SERVICE OF PROCESS UPON THEM IN ACCORDANCE WITH THE RULES AND STATUTES GOVERNING SERVICE OF PROCESS; (C) AGREE TO WAIVE TO THE FULL EXTENT PERMITTED BY LAW ANY OBJECTION THAT THEY MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH LITIGATION, PROCEEDING OR ACTION IN ANY SUCH COURT OR THAT ANY SUCH LITIGATION, PROCEEDING OR ACTION WAS BROUGHT IN AN INCONVENIENT FORUM; (D) AGREE AS AN ALTERNATIVE METHOD OF SERVICE TO SERVICE OF PROCESS IN ANY LEGAL PROCEEDING BY MAILING OF COPIES THEREOF TO SUCH PARTY AT THE ADDRESSES SET FORTH IN THE MERGER AGREEMENT FOR COMMUNICATIONS TO SUCH PARTY; (E) AGREE THAT ANY SERVICE MADE AS PROVIDED HEREIN SHALL BE EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT; AND (F) AGREE THAT NOTHING HEREIN SHALL AFFECT THE RIGHTS OF ANY PARTY TO EFFECT SERVICE OF PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

(j) WAIVER OF JURY TRIAL. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES OF FACT AND LAW, AND THEREFORE, EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY OTHERWISE HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THE NEGOTIATION, EXPLORATION, DUE DILIGENCE WITH RESPECT TO OR ENTERING INTO OF THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) 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, (B) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) EACH PARTY MAKES THIS WAIVER KNOWINGLY AND VOLUNTARILY, AND (D) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 6(k).

[signature pages follow]

IN WITNESS WHEREOF, each of the Investors and the Company have caused this signature page to the Agreement to be duly executed as of the date first written above.

COMPANY:

CRYOLIFE, INC.

By: /s/ D. Ashley Lee
Name: D. Ashley Lee
Title: Executive Vice President, Chief Financial Officer, Chief Operating Officer and Treasurer

INVESTORS:

By: /s/ Kevin McMahon
Name: Kevin McMahon

By: /s/ Nancy S. Lewis
Name: Nancy S. Lewis

By: /s/ Richard Lynn Alexander
Name: Richard Lynn Alexander

By: /s/ Thomas J. Madsen
Name: Thomas J. Madsen

By: /s/ H.A. Lawhon
Name: H.A. Lawhon

Alpha Medical Inc.
By: /s/ Rudiger Dahle
Name: Rudiger Dahle
Title: President, Owner

INVESTORS:

PTV Sciences II, L.P.

By: Pinto Technology Ventures GP II, L.P.
its General Partner
By: Pinto TV GP Company LLC
its General Partner

By: /s/ Matthew S. Crawford
Name: Matthew S. Crawford
Title: Managing Director

Paul Royalty Fund, L.P.

By: Paul Capital Management, LLC
its General Partner
By: Paul Capital Advisors, LLC
its Manager

By: /s/ Philip J. Jensen
Name: Philip J. Jensen
Title: Manager

ANNEX A

SELLING STOCKHOLDER QUESTIONNAIRE

Ladies and Gentlemen:

The undersigned acknowledges that the undersigned is a beneficial owner of securities of CryoLife, Inc. (the "Company"). The undersigned understands that, pursuant to that certain Registration Rights Agreement (the "Registration Rights Agreement") dated January 20, 2016, between the Company and the undersigned, the undersigned will be named as a selling stockholder in the prospectus that forms a part of the Company's Registration Statement on Form S-3 or other available form (the "Registration Statement"). The Registration Statement registers for resale under the Securities Act of 1933, as amended (the "Securities Act"), the securities the undersigned beneficially owns that are disclosed in response to Question 5(b) of this Questionnaire (the "Registrable Securities"). The Company will use the information that the undersigned provides in this Questionnaire to ensure the accuracy of the Registration Statement and the prospectus.

Certain legal consequences arise from being named as a selling securityholder in the Registration Statement and the related prospectus. In addition, the anti-manipulation rules of Regulation M under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), may apply to sales of Company common stock into the market and to the activities of the undersigned and the undersigned's affiliates. Accordingly, holders and beneficial owners of securities to be registered under the Registration Statement are advised to consult their own securities counsel regarding the consequences of being named or not being named as a selling securityholder in the Registration Statement and the related prospectus and as to the applicability of Regulation M and other securities laws.

The undersigned acknowledges that by completing, dating, executing and returning this Questionnaire to the Company, the undersigned is giving written notice to the Company of its desire to have the securities disclosed in response to Question 5(b) of this Questionnaire included in the Registration Statement.

Please answer every question.

If the answer to any question is "none" or "not applicable," please so state.

1. Name. Type or print the full legal name of the selling securityholder.

2. Contact Information. Provide the address, telephone number, fax number and email address of the selling securityholder.

Address:

Phone:

Fax:

Email:

3. Relationship with the Company. Describe the nature of any position, office or other material relationship the selling securityholder has had with the Company during the past three years.

4. Organizational Structure.

Is the selling securityholder a natural person? (If so, please mark the box and skip to Question 5.)	___ Yes	___ No
Is the selling securityholder a reporting company under the Exchange Act? (If so, please mark the box and skip to Question 5.)	___ Yes	___ No
Is the selling securityholder a majority-owned subsidiary of a reporting company under the Exchange Act? (If so, please mark the box and skip to Question 5.)	___ Yes	___ No
Is the selling securityholder a registered investment company under the Investment Company Act of 1940? (If so, please mark the box and skip to Question 5.)	___ Yes	___ No

If the answer to all of the foregoing questions is "no," please describe: (i) the exact legal description of the selling securityholder (e.g., corporation, partnership, limited liability company, etc.); (ii) whether the legal entity so described is managed by another entity and the exact legal description of such entity (repeat this step until the last entity described is managed by a person or persons, each of whom is described in any one of (a) through (d) above); (iii) the names of each person or persons having voting and investment control over the Company's securities that the entity owns (e.g., director(s), general partner(s), managing member(s), etc.).

(a) *Legal Description of Entity:*

_____

(b) *Name of Entit(ies)/(y) Managing Such Entity (if any)*:

_____

_____

(c) *Name of Entit(ies)/(y) Managing such Entit(ies)/(y) (if any)*:

_____

_____

(d) *Name(s) of Natural Person(s) Having Voting or Investment Control Over the Shares Held by such Entit(ies)/(y)*:

_____

5. Ownership of the Company's Securities. This question covers beneficial ownership of the Company's securities. Please consult Appendix A to this Questionnaire for information as to the meaning of "beneficial ownership." State (a) the number of shares of the Company's common stock (including any shares issuable upon exercise of warrants or other convertible securities) that the selling securityholder beneficially owned as of the date this Questionnaire is signed and (b) the number of such shares of the Company's common stock that the selling securityholder wishes to have registered for resale in the Registration Statement:

(a) *Number of shares of common stock and other equity securities owned:*

_____

(b) *Number of shares of common stock and other equity securities owned to be registered for resale in the Registration Statement (only shares of Company common stock that were acquired by you in connection with the Company's merger with On-X Life Technologies Holdings, Inc. are eligible to be registered for resale on the Registration Statement):*

_____

6. Acquisition of Shares. If the selling securityholder did not acquire the securities to be sold directly from the Company, for example if they were distributed to you by someone who acquired them directly from the Company, please describe below the manner in which the securities were acquired including, but not limited to, the date, the name and address of the seller(s), the purchase price and pursuant to which documents (the "Acquisition Documents") and please forward such documents as provided below.

_____

7. Broker-Dealer and Underwriter Status.

(a) Is the selling securityholder a broker-dealer?

___ Yes ___ No

(b) If the answer to Section 7(a) is "yes," did the selling securityholder receive the Registrable Securities as compensation for investment banking services?

___ Yes ___ No

Note: If the answer to 7(a) is "yes" and the answer to 7(b) is "no," SEC guidance has indicated that the selling securityholder should be identified as an underwriter in the Registration Statement.

(c) Is the selling securityholder an affiliate of a broker-dealer?

___ Yes ___ No

(d) If the selling securityholder is an affiliate of a broker-dealer, does the selling securityholder certify that it purchased the Registrable Securities in the ordinary course of business, and at the time of the purchase of the Registrable Securities to be resold, the selling securityholder had no agreements or understandings, directly or indirectly, with any person to distribute the Registrable Securities?

___ Yes ___ No

Note: If the answer to 7(d) is "no," SEC guidance has indicated that the selling securityholder should be identified as an underwriter in the Registration Statement.

The undersigned represents that, except as may be described above or as is described in the space below, the undersigned is not a deemed "underwriter" within the meaning of Section 2(11) of the Securities Act.

8. Plan of Distribution. The undersigned has reviewed the proposed "Plan of Distribution" section to be included in the Registration Statement and the prospectus contained therein that is attached as Appendix B hereto, and agrees that the statements contained therein reflect its intended method(s) of distribution or, to the extent these statements are inaccurate or incomplete, the undersigned has communicated in writing to the Company any changes to the proposed "Plan of Distribution" that are required to make these statements accurate and complete.

___ (Please insert an "X" to the left if you have made any changes)

9. Legal Proceedings with the Company. Is the Company a party to any pending legal proceeding in which the selling securityholder is named as an adverse party?

___ Yes ___ No

State any exceptions here:

_____

_____

10. Reliance on Responses. The undersigned acknowledges and agrees that (i) the Company and its legal counsel shall be entitled to rely on its responses in this Questionnaire in all matters pertaining to the Registration Statement and the sale of any Registrable Securities pursuant to the Registration Statement, and (ii) the information contained in this questionnaire constitutes information regarding the undersigned that has been furnished in writing to the Company by the undersigned expressly for use in the Registration Statement, as contemplated in Section 5 of the Registration Rights Agreement.

The undersigned hereby acknowledges and is advised of the SEC's Compliance and Disclosure Interpretation 239.10 regarding short selling:

An Issuer filed a Form S-3 registration statement for a secondary offering of common stock which is not yet effective. One of the selling shareholders wanted to do a short sale of common stock "against the box" and cover the short sale with registered shares after the effective date. The issuer was advised that the short sale could not be made before the registration statement becomes effective, because the shares underlying the short sale are deemed to be sold at the time such sale is made. There would, therefore, be a violation of Section 5 if the shares were effectively sold prior to the effective date.

By returning this Questionnaire, the undersigned will be deemed to be aware of the foregoing interpretation.

If the Company is required to file a new or additional registration statement to register Registrable Securities beneficially owned by the selling securityholder, the undersigned hereby agrees to complete and return to the Company, upon the request of the Company, a new Questionnaire (in a form substantially similar to this Questionnaire).

If the selling securityholder transfers all or any portion of its Registrable Securities after the date on which the information in this Questionnaire is provided to the Company, the undersigned hereby agrees to notify the transferee(s) at the time of transfer of its rights and obligations hereunder.

By signing below, the undersigned represents that the information provided herein is accurate and complete. The undersigned agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein that may occur subsequent to the date hereof at any time while the Registration Statement remains effective.

By signing below, the undersigned consents to the disclosure of the information contained herein and the inclusion of such information in the Registration Statement and the related prospectus and any amendments or supplements thereto. The undersigned understands that such information will be relied upon by the Company in connection with the preparation or amendment of the Registration Statement and the related prospectus.

[signature pages follow]

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Selling Stockholder Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Dated: Beneficial Owner:

_____

By: _____
Name:
Title:

AS SOON AS POSSIBLE, PLEASE FAX A COPY OF THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE, AND RETURN THE ORIGINAL BY OVERNIGHT MAIL, TO:

CryoLife, Inc.
1655 Roberts Blvd., NW
Kennesaw, GA 30144
Attention: Jean F. Holloway
Facsimile No.: (770) 426-0031

APPENDIX A

Definition of "Beneficial Ownership"

(1) A "Beneficial Owner" of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has or shares:

(a) Voting power which includes the power to vote, or to direct the voting of, such security; and/or

(b) Investment power which includes the power to dispose, or direct the disposition of, such security.

Please note that either voting power or investment power, or both, is sufficient for you to be considered the beneficial owner of shares.

(2) Any person who, directly or indirectly, creates or uses a trust, proxy, power of attorney, pooling arrangement or any other contract, arrangement or device with the purpose or effect of divesting such person of beneficial ownership of a security or preventing the vesting of such beneficial ownership as part of a plan or scheme to evade the reporting requirements of the federal securities acts shall be deemed to be the beneficial owner of such security.

(3) Notwithstanding the provisions of paragraph (1), a person is deemed to be the "beneficial owner" of a security if that person has the right to acquire beneficial ownership of such security within 60 days, including but not limited to any right to acquire: (a) through the exercise of any option, warrant or right; (b) through the conversion of a security; (c) pursuant to the power to revoke a trust, discretionary account or similar arrangement; or (d) pursuant to the automatic termination of a trust, discretionary account or similar arrangement; provided, however, any person who acquires a security or power specified in (a), (b) or (c) above, with the purpose or effect of changing or influencing the control of the issuer, or in connection with or as a participant in any transaction having such purpose or effect, immediately upon such acquisition shall be deemed to be the beneficial owner of the securities which may be acquired through the exercise or conversion of such security or power.

APPENDIX B

PLAN OF DISTRIBUTION

We are registering pursuant to this prospectus a total of 3,703,699 shares of common stock on behalf of the selling stockholders. The selling stockholders, which as used herein includes donees, pledgees, transferees or other successors-in-interest selling shares of common stock or interests in shares of common stock received after the date of this prospectus from a selling stockholder as a gift, pledge, partnership distribution or other transfer, may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices.

The selling stockholders may use any one or more of the following methods when disposing of shares or interests therein:

- sales on the NYSE or any national securities exchange or quotation service on which our common stock may be listed or quoted at the time of sale;
- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted by applicable law.

A selling stockholder that is an entity may elect to make a pro rata in-kind distribution of the shares of common stock to its members, partners or shareholders pursuant to the registration statement of which this prospectus is a part by delivering a prospectus. To the extent that such members, partners or shareholders are not affiliates of ours, such members, partners or shareholders would thereby receive freely tradable shares of common stock pursuant to the distribution through a registration statement.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance

of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act of 1933, as amended (the "*Securities Act*"), amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

In connection with the sale of our common stock or interests therein, the selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholders may also sell shares of our common stock short and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. Each of the selling stockholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering.

The selling stockholders also may resell all or a portion of the shares in open market transactions in reliance upon Rule 144 under the Securities Act, provided that they meet the criteria and conform to the requirements of that rule.

The selling stockholders and any underwriters, broker-dealers or agents that participate in the sale of the common stock or interests therein may be "underwriters" within the meaning of Section 2(11) of the Securities Act. Any discounts, commissions, concessions or profit they earn on any resale of the shares may be underwriting discounts and commissions under the Securities Act. Selling stockholders who are "underwriters" within the meaning of Section 2(11) of the Securities Act will be subject to the prospectus delivery requirements of the Securities Act.

To the extent required, the shares of our common stock to be sold, the names of the selling stockholders, the respective purchase prices and public offering prices, the names of any agents, dealers or underwriters and any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement that includes this prospectus.

In order to comply with the securities laws of some states, if applicable, the common stock may be sold in these jurisdictions only through registered or licensed brokers or dealers.

We have advised the selling stockholders that the anti-manipulation rules of Regulation M under the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), as amended, may apply to sales of shares in the market and to the activities of the selling stockholders and their affiliates. In addition, to the extent applicable we will make copies of this prospectus (as it may be supplemented or amended from time to time) available to the selling stockholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. The selling stockholders may indemnify any broker-dealer that participates in transactions involving the sale of the shares against certain liabilities, including liabilities arising under the Securities Act.

Pursuant to, and in accordance with the terms of, the Registration Rights Agreement (i) we have agreed to indemnify the selling stockholders (and their respective officers, directors, agents, partners, members, managers and employees, and each other person, if any, who controls such selling stockholders (within the meaning of the Securities Act)), against certain liabilities, including liabilities under the Securities Act, relating to the registration of the shares offered by this prospectus, or the selling stockholders may be entitled to contribution if indemnification is prohibited by law, and (ii) the selling stockholders have agreed to indemnify us (including our directors, officers, employees, stockholders and each person who controls the Company (within the meaning of the Securities Act)) against certain liabilities, including liabilities under the Securities Act that may arise from any written information furnished to us by the selling stockholders for use in this prospectus or the registration statement that includes this prospectus, or we may be entitled to contribution if indemnification is prohibited by law.

Pursuant to the Registration Rights Agreement, we have agreed with the selling stockholders to keep the registration statement of which this prospectus constitutes a part effective until the earliest of (i) October 16, 2016, and (ii) such time as the Registrable Securities covered by this Registration Statement have been sold pursuant to (x) this Registration Statement or (y) Rule 144 under the Securities Act or otherwise.

Broker-dealers and agents, and their respective affiliates, may be engaged in transactions with, or perform commercial or investment banking or other services for, us or our subsidiaries or affiliates, in the ordinary course of business.

The shares are listed on the New York Stock Exchange under the symbol "CRY."

The selling shareholders and any permitted transferee(s) selling shares under this prospectus will act independently of us in making decisions with respect to the timing, manner, and size of each resale. There can be no assurance that the selling shareholders and any permitted transferee(s) will sell any or all of the shares under this prospectus. Further, we cannot assure you that the selling shareholders and any permitted transferee(s) will not transfer, distribute, devise or gift the shares by other means not described in this prospectus, including through dividends or other distributions made by the selling shareholders or permitted transferees on a private placement basis to their respective partners, members or stockholders. In addition, any shares covered by this prospectus that qualify for sale under Rule 144 of the Securities Act may be sold under Rule 144 rather than under this prospectus.

Pursuant to the Agreement and Plan of Merger and a Lockup Agreement delivered by PTV Sciences II, L.P. and Paul Royalty Fund, L.P. to CryoLife upon the Closing of the Merger,

PTV Sciences II, L.P. and Paul Royalty Fund, L.P. and certain of their permitted transferees are subject to a lock-up for a period of 90 days following January 20, 2016. During this period, subject to certain exceptions, they may not, directly or indirectly, without the prior written consent of CryoLife, offer, pledge, sell, contract to sell, grant, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock acquired in the Merger or any securities convertible into or exercisable or exchangeable for shares of our common stock, enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the shares, whether any such transaction described above is to be settled by delivery of shares of our common stock, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement relating to any shares of our common stock acquired in the Merger. The lock-up provisions permit transferring the Shares in connection with:

- a sale of CryoLife approved by its board of directors or a tender offer or exchange offer for all of the outstanding shares of CryoLife's common stock;
- transfers as a *bona fide* gift, by will or intestacy or to a family member or trust for the benefit of certain family members;
- transfers to a charity or educational institution;
- if the Investor is a corporation, partnership, limited liability company or other business entity, any transfers to any shareholder, partner or member of, or owner of similar equity interests in, the Investor, subject to certain limitations; or
- transfers between other former holders of On-X Life Technologies, Inc. capital stock that have also executed a substantially similar lock-up agreement.

$95,000,000 CREDIT FACILITY

THIRD AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of January 20, 2016

by and among

CRYOLIFE, INC.,

as a Borrower and as Borrower Representative,
ON-X LIFE TECHNOLOGIES HOLDINGS, INC.,

as a Borrower,

THE OTHER PERSONS PARTY HERETO THAT ARE DESIGNATED AS CREDIT PARTIES,

HEALTHCARE FINANCIAL SOLUTIONS, LLC
for itself, as a Lender, as Swingline Lender, as L/C Issuer and as the Agent for all Lenders,

FIFTH THIRD BANK
as a Lender and as Syndication Agent,

CITIZENS BANK, NATIONAL ASSOCIATION
as a Lender and as Documentation Agent,

THE OTHER FINANCIAL INSTITUTIONS FROM TIME TO TIME PARTY HERETO

as Lenders,

and

CAPITAL ONE, NATIONAL ASSOCIATION, FIFTH THIRD BANK and CITIZENS BANK, NATIONAL ASSOCIATION
as Joint Lead Arrangers and Joint Bookrunners

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THIRD AMENDED AND RESTATED CREDIT AGREEMENT

SCHEDULES

EXHIBITS

THIRD AMENDED AND RESTATED CREDIT AGREEMENT

This THIRD AMENDED AND RESTATED CREDIT AGREEMENT (including all exhibits and schedules hereto, as the same may be amended, modified and/or restated from time to time, this "Agreement") is entered into as of January 20, 2016, by and among CryoLife, Inc., a Florida corporation ("CryoLife"), On-X Life Technologies Holdings, Inc., a Delaware corporation (the "Acquired Business"; CryoLife and the Acquired Business are sometimes referred to herein collectively as the "Borrowers" and each individually as a "Borrower"), CryoLife, as Borrower Representative, the other Persons party hereto that are designated as a "Credit Party", Healthcare Financial Solutions, LLC, a Delaware limited liability company (in its individual capacity, "HFS"), as Agent for the several financial institutions from time to time party to this Agreement (collectively, the "Lenders" and individually each a "Lender") and for itself as a Lender, as Swingline Lender and as L/C Issuer and such other Lenders, amends and restates in its entirety the Second Amended and Restated Credit Agreement (as amended to the date hereof, without giving effect to the amendments and restatements set forth herein, the "Existing Credit Agreement"), dated as of September 26, 2014, among the Borrowers, the Credit Parties party thereto from time to time, the several financial institutions from time to time party thereto as Lenders and HFS, as agent for such lenders.

W I T N E S S E T H:

WHEREAS, pursuant to the Existing Credit Agreement revolving loans were made pursuant to a $20,000,000 revolving loan credit facility (including a letter of credit subfacility and a swingline subfacility);

WHEREAS, the Borrower Representative has requested that the Existing Credit Agreement be amended and restated in the manner set forth below, to (a) fund a portion of the acquisition (the "**Closing Date Acquisition**") of the Acquired Business pursuant to the terms of the Merger Agreement, (b) refinance Prior Indebtedness, (c) provide for working capital, capital expenditures, acquisitions permitted hereunder and other general corporate purposes of the Borrowers and (c) fund certain fees and expenses associated with the funding of the Loans and consummation of the Closing Date Acquisition, all on the terms and conditions set forth in this Agreement; and

WHEREAS, subject to the terms and conditions set forth in this Agreement, the Lenders have agreed to amend and restate the Existing Credit Agreement in the manner set forth below;

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained herein, the parties hereto agree that the Existing Credit Agreement is amended and restated as follows:

ARTICLE I

DEFINITIONS

1.1 Defined Terms. The following terms are defined in the Sections or subsections referenced opposite such terms:

"Acquired Business"	Preamble
"Adjusted EBITDA"	Exhibit 5.2(b)
"Affected Lender"	10.22

“Affected SVP/Participant”	10.22
“Aggregate Excess Funding Amount”	2.11(e)(iv)
“Agreement”	Preamble
“Anti-Corruption Laws”	4.22(c)
“Borrower” and “Borrowers”	Preamble
“Borrower Materials”	10.10(a)(i)
“Borrower Representative”	2.12
“Closing Date Acquisition”	Preamble
“Compliance Certificate”	5.2(b)
“Consolidated Total Indebtedness”	Exhibit 5.2(b)
“Credit Agreement”	Preamble
“CryoLife”	Preamble
“Cure Amount”	7.3
“Cure Quarter”	7.3
“Declined Proceeds”	2.8(f)
“DQ List”	10.9(ii)
“EBITDA”	Exhibit 5.2(b)
“Eligible Assignee”	10.9(b)
“Equity Contribution”	3.1(b)
“Equity Cure”	7.3
“Eurocurrency liabilities”	11.6
“Event of Default”	8.1
“Excess Cash Flow”	Exhibit 5.2(b)
“Excluded Prepayment Amount”	2.8(h)
“Existing Credit Agreement”	Preamble
“Existing Facility”	2.13(c)(ii)
“Extended Revolving Lender”	10.1(f)(ii)
“Extended Revolving Loan Commitment”	10.1(f)(ii)
“Extended Revolving Loan”	10.1(f)(ii)
“Extended Term Loan”	10.1(f)(iii)
“Extended Term Loan Commitment”	10.1(f)(iii)
“Extending Term Lender”	10.1(f)(iii)
“Extension”	10.1(f)
“Extension Offer”	10.1(f)
“FCPA”	4.22(c)
“Federal Health Care Program Laws”	4.24(c).
“HFS”	Preamble
“Incremental Effective Date”	2.13(a)
“Incremental Facility”	2.13(a)
“Incremental Facility Request”	2.13(a)
“Incremental Joinder Agreement”	2.13(d)
“Incremental Revolving Loan Commitment”	2.13(a)
“Incremental Revolving Loan”	2.13(a)
“Incremental Term Loan”	2.13(a)
“Incremental Term Loan Commitment”	2.13(a)
“Indemnified Matters”	10.6
“Indemnitees”	10.6
“Initial Term Loan”	2.1(a)
“Interest Coverage Ratio”	Exhibit 5.2(b)
“Investment”	6.4
“L/C Reimbursement Agreement”	2.1(c)(i)(C)

"L/C Reimbursement Date"	2.1(c)(i)(C)(v)
"L/C Request"	2.1(c)(i)(C)(ii)
"L/C Sublimit"	2.1(c)(i)(B)
"Lender"	Preamble
"Letter of Credit Fee"	2.9(c)
"Leverage Ratio"	Exhibit 5.2(b)
"Maximum Lawful Rate"	2.3(d)
"Maximum Revolving Loan Balance"	2.1(b)
"Minimum Equity Contribution"	3.1(b)
"MNPI"	10.10(a)(ii)
"Notice of Conversion/Continuation"	2.6(a)
"OFAC"	4.22(a)
"Original Currency"	10.26(a)
"Other Currency"	10.26(a)
"Other Taxes"	11.1(c)
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"Yield Differential"	2.13(c)(ii)

In addition to the terms defined elsewhere in this Agreement, the following terms have the following meanings:

"**Account**" means, as at any date of determination, all "accounts" (as such term is defined in the UCC) of the Borrowers and their Subsidiaries, including, without limitation, the unpaid portion of the obligation of a customer of a Borrower or any of its Subsidiaries in respect of Inventory purchased by and shipped to such customer and/or the rendition of services by a Borrower or such Subsidiary, as stated on the respective invoice of a Borrower or such Subsidiary, net of any credits, rebates or offsets owed to such customer.

"**Account Debtor**" means the customer of a Borrower or any of its Subsidiaries who is obligated on or under an Account.

"**Acquisition**" means any transaction or series of related transactions for the purpose of or resulting, directly or indirectly, in (a) the acquisition of all or substantially all of the assets of a Person, or of any

business, product line or division of a Person, (b) the acquisition of in excess of fifty percent (50%) of the Stock and Stock Equivalents of any Person or otherwise causing any Person to become a Subsidiary of a Borrower, or (c) a merger or consolidation or any other combination with another Person.

"**Acquisition Consideration**" has the meaning assigned to such term in the definition of Permitted Acquisition.

"**Affiliate**" means, as to any Person, any other Person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person; provided, however, that no Secured Party shall be an Affiliate of any Credit Party or of any Subsidiary of any Credit Party solely by reason of the provisions of the Loan Documents. A Person shall be deemed to control another Person if the controlling Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other Person, whether through the ownership of voting securities, by contract or otherwise. Without limitation, any director, executive officer or beneficial owner of ten percent (10%) or more of the Stock (either directly or through ownership of Stock Equivalents) of a Person shall for the purposes of this Agreement, be deemed to control the other Person. Notwithstanding the foregoing, neither the Agent nor any Lender shall be deemed an "Affiliate" of any Credit Party or of any Subsidiary of any Credit Party.

"**Agent**" means Healthcare Financial Solutions, LLC in its capacity as administrative agent for the Lenders hereunder, and any successor administrative agent.

"**Agent Fee Letter**" means that certain Agent Fee Letter, dated as of December 22, 2015, by and among Borrower Representative, Agent and Capital One, National Association (as amended, modified and/or supplemented from time to time in accordance with its terms.

"**Aggregate Revolving Loan Commitment**" means the combined Revolving Loan Commitments of the Lenders, which as of the Closing Date, shall be $20,000,000, as such amount may be reduced or increased from time to time pursuant to this Agreement.

"**Aggregate Term Loan Commitment**" means the combined Term Loan Commitments of the Lenders, which as of the Closing Date, shall be $75,000,000, as such amount may be reduced or increased from time to time pursuant to this Agreement.

"**Applicable Margin**" means:

(a) for the period commencing on the Closing Date through the last day of the calendar month (the "**First Grid Calculation Date**") during which financial statements for the first full Fiscal Quarter following the Closing Date and a Compliance Certificate calculating the Leverage Ratio have been delivered in accordance with the terms hereof: (i) if a Base Rate Loan, two and one half percent (2.50%) per annum and (ii) if a LIBOR Rate Loan, three and one half percent (3.50%) per annum;

(b) thereafter, the Applicable Margin shall equal the applicable LIBOR Margin or Base Rate Margin in effect from time to time determined as set forth below based upon the applicable Leverage Ratio then in effect pursuant to the appropriate column under the table below:

	Revolving Loans, Swing Loans and Term Loans	
Leverage Ratio	LIBOR Margin	Base Rate Margin

Greater than or equal to 3.25:1.00:	3.75%	2.75%
Less than 3.25:1.00 and greater than or equal to 2.75:1.00:	3.50%	2.50%
Less than 2.75:1.00 and greater than or equal to 2.25:1.00:	3.00%	2.00%
Less than 2.25:1.00:	2.75%	1.75%

The Applicable Margin shall be adjusted from time to time on the day immediately following the First Grid Calculation Date and thereafter upon delivery to Agent of the financial statements for each Fiscal Quarter required to be delivered pursuant to Section 5.1 hereof accompanied by a Compliance Certificate with a written calculation of the Leverage Ratio. If such calculation indicates that the Applicable Margin shall increase or decrease, then on the first day of the calendar month following the date of delivery of such financial statements and a Compliance Certificate with such written calculation, the Applicable Margin shall be adjusted in accordance therewith; provided, however, that if an Event of Default shall have occurred, then, at Agent's election, effective as of the date on which such Event of Default occurs and continuing through the date as of which such Event of Default is waived, if any, the Applicable Margin shall equal the highest Applicable Margin specified in the pricing table set forth above. Notwithstanding anything herein to the contrary, Swing Loans may not be LIBOR Rate Loans.

In the event that any financial statement or Compliance Certificate delivered pursuant to Sections 5.1 or 5.2 is inaccurate, and such inaccuracy, if corrected, would have led to the imposition of a higher Applicable Margin for any period than the Applicable Margin applied for that period, then (i) the Borrowers shall promptly deliver to Agent a corrected financial statement and a corrected Compliance Certificate for that period (the "**Corrected Financials Date**"), (ii) the Applicable Margin shall be determined based on the corrected Compliance Certificate for that period, and (iii) the Borrowers shall promptly (and in no event later than one Business Day after delivery of such corrected financial statement and Compliance Certificate) pay to Agent (for the account of the Lenders that hold the Commitments and Loans at the time such payment is received, regardless of whether those Lenders held the Commitments and Loans during the relevant period) the accrued additional interest owing as a result of such increased Applicable Margin for that period; provided, for the avoidance of doubt, such deficiency shall be due and payable as at such Corrected Financials Date and no default under Section 8.1(a) shall be deemed to have occurred with respect to such deficiency prior to such date. This paragraph shall not limit the rights of Agent or the Lenders with respect to Section 2.3(c) and Article VIII hereof, and shall survive the termination of this Agreement until the payment in full in cash of the aggregate outstanding principal balance of the Loans.

"**Approved Fund**" means, with respect to any Lender, any Person (other than a natural Person) that (a) (i) is or will be engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of business or (ii) temporarily warehouses loans for any Lender or any Person described in clause (i) above and (b) is advised or managed by (i) such Lender, (ii) any Affiliate of such Lender or (iii) any Person (other than an individual) or any Affiliate of any Person (other than an individual) that administers or manages such Lender.

"**Assignment**" means an assignment agreement entered into by a Lender, as assignor, and any Person, as assignee, pursuant to the terms and provisions of Section 10.9 (with the consent of any party whose consent is required by Section 10.9), accepted by the Agent, in substantially the form of Exhibit 1.1(a) or any other form approved by the Agent.

"**Attorney Costs**" means and includes all reasonable fees and disbursements of any law firm or other external counsel.

"**Availability**" means, as of any date of determination, the amount by which (a) the Maximum Revolving Loan Balance exceeds (b) the aggregate outstanding principal balance of Revolving Loans.

"**Available Amount**" shall mean, at any date of determination (the applicable "**Available Amount Reference Date**"), an amount equal to, without duplication:

(x) the sum of:

(i) the cumulative amount of Excess Cash Flow (which amount shall not be less than zero) for all Fiscal Years of the Borrowers completed after the Closing Date (commencing with the Fiscal Year ending December 31, 2016) and prior to the Available Amount Reference Date with respect to which a certification of Excess Cash Flow set forth on Exhibit 5.2(b) has been delivered to Agent equal to the applicable percentages thereof that are not taken into account when calculating the prepayment in respect thereof in Section 2.8(e) hereof; plus

(ii) the cumulative amount of Net Issuance Proceeds of issuance of Stock (other than Disqualified Stock) received by Borrower Representative after the Closing Date and prior to the Available Amount Reference Date, which Net Issuance Proceeds are not required to be used to prepay the Obligations; plus

(iii) (A) the aggregate amount of Net Proceeds received by Borrower in cash or Cash Equivalents after the Closing Date from the Disposition of any Investment to the extent not required to be used to prepay the Obligations, plus (B) returns, (including dividends, interest, returns of principal, profits on sale, repayments, income, distributions and similar amounts) received in cash or Cash Equivalents after the Closing Date to the extent not included or includable in EBITDA, in each instance in (A) and (B) on or in respect of Investments to the extent such Investment was originally funded with and in reliance on the Available Amount (but, in the aggregate for clauses (A) and (B), not in excess of the original amount of the Available Amount used to fund such Investment); plus

(iv) the aggregate amount of Declined Proceeds retained by Borrower (and not applied to repay or prepay any other Indebtedness) during the period from the Business Day immediately following the Closing Date through and including the Available Amount Reference Date; plus

(v) $1,000,000;

minus:

(y) the sum of:

(i) the aggregate amount of Investments made pursuant to Section 6.4(m) and, to the extent funded with the Available Amount in accordance with the definition of Permitted Acquisitions, Section 6.4(h), in each case after the Closing Date and on or prior to the Available Amount Reference Date; plus

(ii) the aggregate amount of Restricted Payments made pursuant to Section 6.11(f) after the Closing Date and on or prior to the Available Amount Reference Date.

"**Bankruptcy Code**" means the Federal Bankruptcy Reform Act of 1978 (11 U.S.C. §101, et seq.), as amended and in effect from time to time and the regulations issued from time to time thereunder.

"**Base Rate**" means, for any day, a rate per annum equal to the highest of (a) the rate last quoted by The Wall Street Journal as the "Prime Rate" in the United States or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by Agent) or any similar release by the Federal Reserve Board (as determined by Agent), (b) the sum of one half of one percent (0.50%) per annum and the Federal Funds Rate and (c) the sum of (x) LIBOR calculated for each such day based on an Interest Period of one month determined two (2) Business Days prior to such day, plus (y) the excess of the Applicable Margin for LIBOR Rate Loans over the Applicable Margin for Base Rate Loans, in each instance, as of such day. Any change in the Base Rate due to a change in any of the foregoing shall be effective on the effective date of such change in the "bank prime loan" rate, the Federal Funds Rate or LIBOR for an Interest Period of one month.

"**Base Rate Loan**" means a Loan that bears interest based on the Base Rate.

"**Benefit Plan**" means any employee benefit plan as defined in Section 3(3) of ERISA (whether governed by the laws of the United States or otherwise) to which any Credit Party incurs or otherwise has any obligation or liability, contingent or otherwise.

"**Bona Fide Debt Fund**" shall mean any bona fide debt fund, investment vehicle, regulated banking entity or non-regulated lending entity that is primarily engaged in making, purchasing, holding or otherwise investing in commercial loans or bonds and/or similar extensions of credit in the ordinary course of business.

"**Borrowing**" means a borrowing hereunder consisting of Loans made to or for the benefit of the Borrowers on the same day by the Lenders pursuant to Article II.

"**Business Day**" means any day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to close and, if the applicable Business Day relates to any LIBOR Rate Loan, a day on which dealings in Dollar deposits are carried on in the London interbank market.

"**Capital Adequacy Regulation**" means any guideline, request or directive of any central bank or other Governmental Authority, or any other law, rule or regulation, whether or not having the force of law, in each case, regarding capital adequacy of any Lender or of any corporation controlling a Lender.

"**Capital Lease**" means, with respect to any Person, any lease of, or other arrangement conveying the right to use, any Property by such Person as lessee that has been or should be accounted for as a capital lease on a balance sheet of such Person prepared in accordance with GAAP.

"**Capital Lease Obligations**" means, at any time, with respect to any Capital Lease, any lease entered into as part of any sale leaseback transaction of any Person or any synthetic lease, the amount of all obligations of such Person that is (or that would be, if such synthetic lease or other lease were accounted for as a Capital Lease) capitalized on a balance sheet of such Person prepared in accordance with GAAP.

"**Cash Equivalents**" means (a) any readily-marketable securities (i) issued by, or directly, unconditionally and fully guaranteed or insured by the United States federal government or (ii) issued by any agency of the United States federal government the obligations of which are fully backed by the full faith and credit of the United States federal government, (b) any readily-marketable direct obligations issued by any other agency of the United States federal government, any state of the United States or any political subdivision of any such state or any public instrumentality thereof, in each case having a rating of at least "A-1" from S&P or at least "P-1" from Moody's, (c) any commercial paper rated at least "A-1" by S&P or "P-1" by Moody's and issued by any Person organized under the laws of any state of the United States, (d) any Dollar-denominated time deposit, insured certificate of deposit, overnight bank deposit or bankers'

acceptance issued or accepted by (i) any Lender or (ii) any commercial bank that is (A) organized under the laws of the United States, any state thereof or the District of Columbia, (B) "adequately capitalized" (as defined in the regulations of its primary federal banking regulators) and (C) has Tier 1 capital (as defined in such regulations) in excess of $250,000,000, (e) shares of any United States money market fund that (i) has substantially all of its assets invested continuously in the types of investments referred to in clause (a), (b), (c) or (d) above with maturities as set forth in the proviso below, (ii) has net assets in excess of $500,000,000 and (iii) has obtained from either S&P or Moody's the highest rating obtainable for money market funds in the United States; provided, however, that the maturities of all obligations specified in any of clauses (a), (b), (c) or (d) above shall not exceed 365 days, (f) solely with respect to the holdings of any Foreign Subsidiary of the Borrower Representative, substantially similar investments of the types described in clauses (a) through (d) above issued by similarly capitalized and rated foreign banks, foreign governments or other Persons in the jurisdiction in which such Foreign Subsidiary is organized and (g) any other investments permitted by the Borrower Representative's investment policy as such policy is in effect on the Closing Date, a copy of which has been provided to the Agent prior to the Closing Date, as amended, restated, supplemented or otherwise modified with the prior written consent of the Agent (such consent not to be unreasonably withheld or delayed).

"**Class**" (a) when used with respect to Lenders, refers to whether such Lenders have a Loan or Commitment with respect to a particular "class" (as described in clauses (b) or (c) of this definition) of Loans or Commitments, (b) when used with respect to Commitments, refers to whether such Commitments are Revolving Loan Commitments, Incremental Revolving Loan Commitments, Extended Revolving Loan Commitments, Term Loan Commitments, Incremental Term Loan Commitments or Extended Term Loan Commitments and (c) when used with respect to Loans or a Borrowing, refers to whether such Loans, or the Loans comprising such Borrowing, are Revolving Loans, Incremental Revolving Loans, Term Loans, Extended Revolving Loans, Incremental Term Loans or Extended Term Loans, in each case, under this Agreement as originally in effect or amended pursuant to Section 2.13(d) or 10.1(f)), of which such Loans, Borrowing or Commitments shall be a part. Revolving Loan Commitments, Incremental Revolving Loan Commitments, Term Loan Commitments, Incremental Term Loan Commitments, Extended Revolving Loan Commitments and Extended Term Loan Commitments (and in each case, the Loans made pursuant to such Commitments) that have different terms and conditions shall be construed to be in different Classes. Notwithstanding the foregoing, Commitments (and in each case, the Loans made pursuant to such Commitments), including any Incremental Revolving Loan Commitments or Incremental Term Loan Commitments intended to be fungible with any existing Revolving Loan Commitment or Term Loan Commitments) that have identical terms and conditions shall be construed to be in the same Class.

"**Closing Date**" means January 20, 2016.

"**Code**" means the Internal Revenue Code of 1986, and regulations promulgated thereunder.

"**Collateral**" means all Property and interests in Property and proceeds thereof now owned or hereafter acquired by (a) any Credit Party, (b) any of their respective Subsidiaries and (c) any other Person who has granted a Lien to the Agent, in each case in or upon which a Lien (i) is granted, (ii) is purported to be granted or (iii) now or hereafter exists in favor of any Lender or the Agent for the benefit of the Agent, Lenders and other Secured Parties, whether under this Agreement or under any other documents executed by any such Persons and delivered to the Agent.

"**Collateral Documents**" means, collectively, the Guaranty and Security Agreement, the Mortgages, each Control Agreement and all other security agreements, pledge agreements, patent and trademark security agreements, lease assignments, guaranties and other similar agreements, and all amendments, restatements, modifications or supplements thereof or thereto, by or between any one or more of any Credit Party, any of their respective Subsidiaries or any other Person pledging or granting a lien on Collateral or guaranteeing the payment and performance of the Obligations, and any Lender or the Agent for the benefit of the Agent, the Lenders and

other Secured Parties now or hereafter delivered to the Lenders or the Agent pursuant to or in connection with the transactions contemplated hereby, and all financing statements (or comparable documents now or hereafter filed in accordance with the UCC or comparable law) against any such Person as debtor in favor of any Lender or the Agent for the benefit of the Agent, the Lenders and the other Secured Parties, as secured party, as any of the foregoing may be amended, restated and/or modified from time to time.

"**Commitment**" means, for each Lender, the sum of its Revolving Loan Commitment and Term Loan Commitment.

"**Commitment Percentage**" means, as to any Lender, the percentage equivalent of such Lender's Revolving Loan Commitment or Term Loan Commitment divided by the Aggregate Revolving Loan Commitment or Aggregate Term Loan Commitment, as applicable; provided that after each Term Loan has been funded, Commitment Percentages shall be determined for the Term Loans by reference to the outstanding principal balances thereof as of any date of determination rather than the Commitments therefor; provided, further, that following acceleration of the Loans, such term means, as to any Lender, the percentage equivalent of the principal amount of the Loans (including participations in Swing Loans and Letter of Credit Obligations) held by such Lender, divided by the aggregate principal amount of the Loans held by all Lenders.

"**Commodity Exchange Act**" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.).

"**Company Material Adverse Effect**" means any change, event, fact, effect or occurrence that has, or would reasonably be expected to have, a material adverse effect on the financial condition, business, assets or results of operations of the Company and its Subsidiaries, taken as a whole; provided, however, that in determining whether there has been a Company Material Adverse Effect, any change, event, fact, effect or occurrence attributable to, arising out of, or resulting from any of the following shall be disregarded: (a) general political, economic, business, industry, credit, financial or capital market conditions in the United States or internationally, including conditions affecting generally the principal industries in which the Company and its Subsidiaries operate; (b) pandemics, earthquakes, tornados, hurricanes, floods and acts of God; (c) acts of war (whether declared or not declared), sabotage, terrorism, military actions or the escalation thereof; (d) any change in applicable Laws or GAAP (or authoritative interpretation or enforcement thereof) which is proposed, approved or enacted on or after the date hereof; (e) any failure, in and of itself, to meet estimates or projections of financial performance (but excluding any underlying change, event, fact, effect or occurrence giving rise, in whole or in part, to such failure); and (f) the announcement, in and of itself, of the Merger Agreement and the transactions contemplated thereby; provided, further, that the changes, events, facts, effects or occurrences described in clauses (a) (d) of the Merger Agreement may be taken into account in determining whether there has been, could or would be a Company Material Adverse Effect to the extent such changes, events, facts, effects or occurrences negatively and disproportionately adversely affect the Company and its Subsidiaries, taken as whole, in relation to other Persons in the principal industries of the Company and its Subsidiaries. Capitalized terms used in the definition of Company Material Adverse Effect shall have the meanings set forth in the Merger Agreement.

"**Competitor**" means any Person that is an operating company engaged in substantially similar business operations as the Borrowers.

"**Connection Income Taxes**" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"**Consolidated Total Assets**" means the consolidated total assets of the Borrower Representative and its Subsidiaries determined in accordance with GAAP as of the date of the financial statements most recently delivered pursuant to Section 5.1(a) or 5.1(b) hereunder.

"**Contingent Acquisition Consideration**" means any earnout obligation or similar deferred or contingent obligation of a Borrower or any of its Subsidiaries incurred or created in connection with an Acquisition permitted hereunder.

"**Contingent Obligation**" means, as to any Person, any direct or indirect liability, contingent or otherwise, of that Person: (i) with respect to any Indebtedness, lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected (in whole or in part) against loss with respect thereto; (ii) with respect to any letter of credit issued for the account of that Person or as to which that Person is otherwise liable for reimbursement of drawings; (iii) under any Rate Contracts; (iv) to make take-or-pay or similar payments if required regardless of nonperformance by any other party or parties to an agreement; or (v) for the obligations of another Person through any agreement to purchase, repurchase or otherwise acquire such obligation or any Property constituting security therefor, to provide funds for the payment or discharge of such obligation or to maintain the solvency, financial condition or any balance sheet item or level of income of another Person. The amount of any Contingent Obligation shall be equal to the amount of the obligation so guaranteed or otherwise supported or, if not a fixed and determined amount, the maximum amount so guaranteed or supported.

"**Contractual Obligations**" means, as to any Person, any provision of any security (whether in the nature of Stock, Stock Equivalents or otherwise) issued by such Person or of any agreement, undertaking, contract, indenture, mortgage, deed of trust or other instrument, document or agreement (other than a Loan Document) to which such Person is a party or by which it or any of its Property is bound or to which any of its Property is subject.

"**Control Agreement**" means a tri-party deposit account, securities account or commodities account control agreement by and among the applicable Credit Party, Agent and the depository, securities intermediary or commodities intermediary, and each in form and substance reasonably satisfactory in all respects to Agent and in any event providing to Agent "control" of such deposit account, securities or commodities account within the meaning of Articles 8 and 9 of the UCC.

"**Conversion Date**" means any date on which the Borrowers convert a Base Rate Loan to a LIBOR Rate Loan or a LIBOR Rate Loan to a Base Rate Loan.

"**Copyrights**" means all rights, title and interests (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to copyrights and all mask work, database and design rights, whether or not registered or published, all registrations and recordations thereof and all applications in connection therewith.

"**Credit Parties**" means each Borrower and each other Person (i) which executes a guaranty of the Obligations and (ii) which grants a Lien on all or substantially all of its assets to secure payment of the Obligations.

"**Default**" means any event or circumstance which, with the giving of notice, the lapse of time, or both, would (if not cured or otherwise remedied during such time) constitute an Event of Default.

"**Disclosure Letter**" means the disclosure letter, dated as of the Closing Date, delivered by the Credit Parties to the Agent and Lenders.

"**Disposition**" means (a) the sale, lease, conveyance or other disposition of Property and (b) the sale or transfer by a Borrower or any Subsidiary of a Borrower of any Stock or Stock Equivalent issued by any Subsidiary of a Borrower and held by such transferor Person.

"**Disqualified Institutions**" means any Person that is (a) designated by Borrower Representative, by written notice delivered to Agent on or prior to the date hereof, as a (i) disqualified institution or (ii) Competitor or (b) clearly identifiable, solely on the basis of such Person's name, as an Affiliate of any Person referred to in clause (a)(i) or (a)(ii) above; provided, however, Disqualified Institutions shall (A) exclude any Person that Borrower Representative has designated as no longer being a Disqualified Institution by written notice delivered to Agent from time to time and (B) include (I) any Person that is added as a Competitor and (II) any Person that is clearly identifiable, solely on the basis of such Person's name, as an Affiliate of any Person referred to in clause (B)(I), pursuant to a written supplement to the list of Competitors that are Disqualified Institutions, that is delivered by Borrower Representative after the date hereof to Agent. Such supplement shall become effective two (2) Business Days after the date that such written supplement is delivered to Agent, but which shall not apply retroactively to disqualify any Persons that have previously acquired an assignment or participation interest in the Loans and/or Commitments as permitted herein. In no event shall a Bona Fide Debt Fund be a Disqualified Institution unless such Bona Fide Debt Fund is identified under clause (a)(i) above.

"**Disqualified Stock**" means any Stock which, by its terms (or by the terms of any security or other Stock into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition, (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is ninety-one (91) days following the Latest Maturity Date (excluding any provisions requiring redemption upon a "change of control" or similar event; provided that such "change of control" or similar event results in the occurrence of the Facility Termination Date), (b) is convertible into or exchangeable for (i) debt securities or (ii) any Stock referred to in (a) above, in each case, at any time on or prior to the date that is ninety-one (91) days following the Latest Maturity Date at the time such Stock was issued, or (c) is entitled to receive scheduled dividends or distributions in cash prior to the date that is ninety-one (91) days following the Latest Maturity Date.

"**Documentation Agent**" means Citizens Bank, National Association in its capacity as Documentation Agent.

"**Dollar Equivalent**" means with respect to an amount denominated in Euros on any date, the amount of Dollars that may be purchased with such amount of Euros at the Spot Exchange Rate on such date.

"**Dollars**", "**dollars**" and "**$**" each mean lawful money of the United States of America.

"**Domestic Subsidiary**" means any Subsidiary incorporated, organized or otherwise formed under the laws of the United States, any state thereof or the District of Columbia.

"**Electronic Transmission**" means each document, instruction, authorization, file, information and any other communication transmitted, posted or otherwise made or communicated by e-mail or E-Fax, or otherwise to or from an E-System or other equivalent service.

"**EMU**" means the Economic and Monetary Union as contemplated in the Treaty on European Union.

"**EMU Legislation**" means legislative measures of the European Union for the introduction of, changeover to or operation of a single or unified European currency (whether known as the Euro or otherwise), being in part the implementation of the third stage of EMU.

"**Environmental Laws**" means all present and future Requirements of Law and Permits imposing liability or standards of conduct for or relating to the regulation and protection of human health, safety, the environment and natural resources, and including public notification requirements and environmental transfer of ownership, notification or approval statutes.

"**Environmental Liabilities**" means all Liabilities (including costs of Remedial Actions, natural resource damages and costs and expenses of investigation and feasibility studies) that may be imposed on,

incurred by or asserted against any Credit Party or any Subsidiary of any Credit Party as a result of, or related to, any claim, suit, action, investigation, proceeding or demand by any Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law or otherwise, arising under any Environmental Law or in connection with any environmental, health or safety condition or with any Release and resulting from the ownership, lease, sublease or other operation or occupation of Property by any Credit Party or any Subsidiary of any Credit Party, whether on, prior or after the Closing Date.

"**ERISA**" means the Employee Retirement Income Security Act of 1974.

"**ERISA Affiliate**" means, collectively, any Credit Party and any Person under common control or treated as a single employer with, any Credit Party, within the meaning of Section 414(b), (c), (m) or (o) of the Code.

"**ERISA Event**" means any of the following: (a) a reportable event described in Section 4043(b) of ERISA (or, unless the 30-day notice requirement has been duly waived under the applicable regulations, Section 4043(c) of ERISA) with respect to a Title IV Plan; (b) the withdrawal of any ERISA Affiliate from a Title IV Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (c) the complete or partial withdrawal of any ERISA Affiliate from any Multiemployer Plan; (d) with respect to any Multiemployer Plan, the filing of a notice of reorganization, insolvency or termination (or treatment of a plan amendment as termination) under Section 4041A of ERISA; (e) the filing of a notice of intent to terminate a Title IV Plan (or treatment of a plan amendment as termination) under Section 4041 of ERISA; (f) the institution of proceedings to terminate a Title IV Plan or Multiemployer Plan by the PBGC; (g) the failure to make any required contribution to any Title IV Plan or Multiemployer Plan when due; (h) the imposition of a lien under Section 412 or 430(k) of the Code or Section 302, 303(k) or 4068 of ERISA on any property (or rights to property, whether real or personal) of any ERISA Affiliate or a violation of Section 436 of the Code with respect to a Title IV Plan; (i) the failure, upon determination by the IRS, of a Benefit Plan or any trust thereunder intended to qualify for tax exempt status under Section 401 or 501 of the Code or other Requirements of Law to qualify thereunder; (j) a Title IV plan is in "at risk" status within the meaning of Code Section 430(i); (k) a Multiemployer Plan is in "endangered status" or "critical status" within the meaning of Section 432(b) of the Code; and (l) any other event or condition that might reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Title IV Plan or Multiemployer Plan or for the imposition of any liability upon any ERISA Affiliate under Title IV of ERISA other than for PBGC premiums due but not delinquent.

"**Euro**" and "**€**" means the single currency of the European Union as constituted by the Treaty on European Union and as referred to in EMU Legislation

"**Event of Loss**" means, with respect to any Property, any of the following: (a) any loss, destruction or damage of such Property; or (b) any condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, of such Property, or confiscation of such Property or the requisition of the use of such Property.

"**Excluded Domestic Holdco**" means a Domestic Subsidiary substantially all of the assets of which consist of Stock, Stock Equivalents or debt of one or more Excluded Foreign Subsidiaries.

"**Excluded Domestic Subsidiary**" means any Domestic Subsidiary that is (a) a direct or indirect Subsidiary of an Excluded Foreign Subsidiary or (b) an Excluded Domestic Holdco.

"**Excluded Foreign Subsidiary**" means a Foreign Subsidiary which is (a) a controlled foreign corporation (as defined in the Code)**.**

"**Excluded Rate Contract Obligation**" means, with respect to any Guarantor, any guarantee of any Swap Obligations under a Secured Rate Contract if, and only to the extent that and for so long as, all or a portion of the guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation under a Secured Rate Contract (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act at the time the guarantee of such Guarantor or the grant of such security interest becomes effective with respect to such Swap Obligation under a Secured Rate Contract. If a Swap Obligation under a Secured Rate Contract arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation under a Secured Rate Contract that is attributable to swaps for which such guarantee or security interest is or becomes illegal.

"**Excluded Subsidiary**" means (i) each Excluded Domestic Subsidiary, (ii) each Excluded Foreign Subsidiary, (iii) each Immaterial Subsidiary, (iv) any Subsidiary that is prohibited by applicable law, rule or regulation from guaranteeing the Obligations or would require the approval, consent, license or authorization of any Governmental Authority in order to guarantee the Obligations (unless such approval, consent, license or authorization has been received), (v) any Subsidiary that is not a Wholly-Owned Subsidiary that is prohibited by its Organization Documents from guaranteeing the Obligations as of the Closing Date or, to the extent acquired after the Closing Date, the date of the acquisition of such Subsidiary, provided that such prohibition was not included in such Organization Documents in contemplation of such acquisition and (vi) any not-for-profit entity.

"**Excluded Tax**" means with respect to any Secured Party: (a) Taxes imposed on or measured by net income, however denominated, (including branch profits Taxes) and franchise Taxes imposed in lieu of net income Taxes, in each case (i) imposed on any Secured Party as a result of being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes; (b) withholding Taxes imposed on amounts payable to or for the account of a Secured Party to the extent that the obligation to withhold amounts is pursuant to a Requirements of Law in effect on the date that such Person became a Secured Party under this Agreement in the capacity as a Lender or designates a new Lending Office, except in each case to the extent such Person is a direct or indirect assignee (other than pursuant to Section 10.22) of any other Secured Party that was entitled, at the time the assignment to such Person became effective, to receive additional amounts under Section 11.1(b); (c) Taxes that are directly attributable to the failure by any Secured Party to deliver the documentation required to be delivered pursuant to Section 11.1(g); and (d) any U.S. federal withholding Taxes imposed under FATCA.

"**E-Fax**" means any system used to receive or transmit faxes electronically.

"**E-Signature**" means the process of attaching to or logically associating with an Electronic Transmission an electronic symbol, encryption, digital signature or process (including the name or an abbreviation of the name of the party transmitting the Electronic Transmission) with the intent to sign, authenticate or accept such Electronic Transmission.

"**E-System**" means any electronic system approved by Agent, including Syndtrak®, Intralinks® and ClearPar® and any other Internet or extranet-based site, whether such electronic system is owned, operated or hosted by Agent, any of its Related Persons or any other Person, providing for access to data protected by passcodes or other security system.

"**Facility Termination Date**" means the date on which (a) the Revolving Loan Commitments have terminated, (b) all Loans, all L/C Reimbursement Obligations and all other Obligations under the Loan Documents and all Obligations arising under Secured Rate Contracts, that Agent has theretofore been

notified in writing by the holder of such Obligation are then due and payable have been paid and satisfied in full and (c) there shall have been deposited cash collateral with respect to all contingent Obligations (or, as an alternative to cash collateral, in the case of any Letter of Credit Obligation, Agent shall have received a back-up letter of credit) in amounts and on terms and conditions and with parties reasonably satisfactory to Agent and each Indemnitee that is owed such Obligations (excluding contingent Obligations (other than L/C Reimbursement Obligations) as to which no claim has been asserted).

"**FATCA**" means Sections 1471, 1472, 1473 and 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), current or future United States Treasury Regulations promulgated thereunder, published guidance with respect thereto or other official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any applicable intergovernmental agreements with respect thereto, and any Requirements of Law implementing agreements included in this definition.

"**FDA**" means the United States Food and Drug Administration and any successor thereto.

"**FDA Laws**" has the meaning set forth in Section 5.8.

"**Federal Flood Insurance**" means federally backed Flood Insurance available under the National Flood Insurance Program to owners of real property improvements located in Special Flood Hazard Areas in a community participating in the National Flood Insurance Program.

"**Federal Funds Rate**" means, for any day, the rate per annum (rounded upward to the nearest 1/100th 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 that 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 quoted to the Agent on such day on such transactions as determined by the Agent in a commercially reasonable manner; provided that in no event will the Federal Funds Rate for purposes of this Agreement be less than 0.0% per annum.

"**Federal Health Care Program**" has the meaning specified in Section 1128B(f) of the SSA and includes the Medicare, Medicaid and TRICARE programs.

"**Federal Reserve Board**" means the Board of Governors of the Federal Reserve System, or any entity succeeding to any of its principal functions.

"**Fee Letters**" means, collectively, the Agent Fee Letter and the Joint Fee Letter.

"**FEMA**" means the Federal Emergency Management Agency, a component of the U.S. Department of Homeland Security that administers the National Flood Insurance Program.

"**Final Availability Date**" means the earlier of (a) one (1) Business Day prior to the date specified in clause (a) of the definition of Revolving Termination Date and (b) the date on which the Aggregate Revolving Loan Commitment shall terminate in accordance with the provisions of this Agreement.

"**FIRREA**" means the Financial Institutions Reform, Recovery and Enforcement Act of 1989.

"**First Grid Calculation Date**" has the meaning assigned to such term in the definition of Applicable Margin.

"**Fiscal Quarter**" means any of the quarterly accounting periods of the Borrowers and their Subsidiaries ending on March 31, June 30, September 30 and December 31 of each year.

"**Fiscal Year**" means any of the annual accounting periods of the Borrowers and their Subsidiaries ending on December 31 of each year.

"**Flood Insurance**" means, for any Real Estate located in a Special Flood Hazard Area, Federal Flood Insurance or private insurance that (a) meets the requirements set forth by FEMA in its *Mandatory Purchase of Flood Insurance Guidelines* and (b) shall be in an amount equal to the full, unpaid balance of the Loans and any prior liens on the Real Estate up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Agent, with deductibles not to exceed $50,000 or such higher amount as may be reasonably acceptable to Agent and in compliance with the National Flood Insurance Program and other applicable Requirements of Law.

"**Flood Insurance Requirements**" means, with respect to any Mortgages, Agent shall have received: (i) evidence as to whether the applicable Real Estate is located in a Special Flood Hazard Area pursuant to a standard flood hazard determination form ordered and received by Agent, and (ii) if such Real Estate is located in a Special Flood Hazard Area, (A) evidence as to whether the community in which such Real Estate is located is participating in the National Flood Insurance Program, (B) the applicable Credit Party's written acknowledgment of receipt of written notification from Agent as to the fact that such Real Estate is located in a Special Flood Hazard Area and as to whether the community in which such Real Estate is located is participating in the National Flood Insurance Program and (C) copies of the applicable Credit Party's application for a flood insurance policy plus proof of premium payment, a declaration page confirming that flood insurance has been issued, or such other evidence of flood insurance satisfactory to Agent and naming Agent as sole loss payee on behalf of the Secured Parties.

"**Foreign Subsidiary**" means, with respect to any Person, a Subsidiary of such Person, which Subsidiary is not a Domestic Subsidiary.

"**Foreign Target**" means a Target which (a) consists of assets not located in the United States or (b) is a Person not incorporated under the laws of any State in the United States or the District of Columbia.

"**GAAP**" means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the accounting profession), which are applicable to the circumstances as of the date of determination. Subject to Section 1.3, all references to "GAAP" shall be to GAAP applied consistently with the principles used in the preparation of the financial statements described in Section 5.1(a).

"**Governmental Authority**" means any nation, sovereign or government, any state or other political subdivision thereof, any agency, authority or instrumentality thereof and any entity or authority exercising executive, legislative, taxing, judicial, regulatory or administrative functions of or pertaining to government, including any central bank, stock exchange, regulatory body, arbitrator, public sector entity, supra-national entity (including the European Union and the European Central Bank) and any self-regulatory organization (including the National Association of Insurance Commissioners).

"**Guarantor**" means any Person that has guaranteed any Obligations.

"**Guaranty and Security Agreement**" means that certain Guaranty and Security Agreement, dated as of the Initial Closing Date, made by the Credit Parties in favor of the Agent, for the benefit of the Secured Parties, as amended on the date hereof and as the same may be further amended, restated and/or modified from time to time.

"**Hazardous Materials**" means any substance, material or waste that is classified, regulated or otherwise characterized under any Environmental Law as hazardous, toxic, a contaminant or a pollutant or by other words of similar meaning or regulatory effect, including petroleum or any fraction thereof, asbestos, polychlorinated biphenyls and radioactive substances.

"**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996.

"**Immaterial Subsidiary**" means, on any date of determination, any Subsidiary of Borrower that, together with its Subsidiaries, (a) generates less than 2.5% of Adjusted EBITDA on a pro forma basis for the four fiscal quarter period for which financial statements have been delivered (or are required to have been delivered) under Section 5.1 that has ended on or most recently prior to such date, or (b) has total assets (including Stock in other Subsidiaries and excluding investments that are eliminated in consolidation) of less than 2.5% of Consolidated Total Assets as reflected in the financial statements most recently delivered on or prior to such date; provided, however, that notwithstanding the foregoing, the Acquired Business and its successors shall not be an Immaterial Subsidiary.

"**Impacted Lender**" means any Lender that fails to provide Agent, within three (3) Business Days following Agent's written request, satisfactory assurance that such Lender will not become a Non-Funding Lender, or any Lender that has a Person that directly or indirectly controls such Lender and such Person (a) becomes subject to a voluntary or involuntary case under the Bankruptcy Code or any similar bankruptcy laws, (b) has appointed a custodian, conservator, receiver or similar official for such Person or any substantial part of such Person's assets, or (c) makes a general assignment for the benefit of creditors, is liquidated, or is otherwise adjudicated as, or determined by any Governmental Authority having regulatory authority over such Person or its assets to be, insolvent or bankrupt, and for each of clauses (a) through (c), Agent has determined that such Lender is reasonably likely to become a Non-Funding Lender. For purposes of this definition, control of a Person shall have the same meaning as in the second sentence of the definition of Affiliate.

"**Indebtedness**" of any Person means, without duplication: (a) all indebtedness for borrowed money; (b) all obligations issued, undertaken or assumed as the deferred purchase price of Property or services (including Contingent Acquisition Consideration (valued in accordance with GAAP) but excluding (i) accrued expenses and trade payables entered into in the ordinary course of business, (ii) obligations to pay for services provided by employees and individual independent contractors in the ordinary course of business, (iii) deferred compensation expenses, (iv) liabilities associated with customer prepayments and deposits, (v) prepaid or deferred revenue arising in the ordinary course of business and (vi) purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase price of an asset to satisfy unperformed obligations of the seller of such asset); (c) the face amount of all letters of credit issued for the account of such Person (or for which such Person is liable) and without duplication, all drafts drawn thereunder and all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments issued by such Person (or for which such Person is liable); (d) all obligations evidenced by notes, bonds (other than performance bonds or similar instruments), debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of Property, assets or businesses; (e) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to Property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such Property); (f) all Capital Lease Obligations; (g) the principal balance outstanding under any synthetic lease, off-balance sheet loan or similar off balance sheet financing product; (h) all obligations of such Person, whether or not contingent, in respect of Disqualified Stock, valued at, in the case of redeemable preferred Stock, the greater of the voluntary liquidation preference and the involuntary liquidation preference of such Stock plus accrued and unpaid dividends; (i) all indebtedness referred to in clauses (a) through (h) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in Property (including accounts and contracts rights) owned by such Person,

even though such Person has not assumed or become liable for the payment of such indebtedness; and (j) all Contingent Obligations described in clause (i) of the definition thereof in respect of indebtedness or obligations of others of the kinds referred to in clauses (a) through (i) above.

"**Indemnified Tax**" means (a) any Tax other than an Excluded Tax and (b) to the extent not otherwise described in clause (a), Other Taxes.

"**Initial Closing Date**" means March 27, 2008.

"**Initial Lenders**" means, collectively, (i) Healthcare Financial Solutions, LLC, (ii) Fifth Third Bank, (iii) Citizens Bank, National Association and (iv) any Affiliate or Approved Fund of any of the foregoing Lenders.

"**Insolvency Proceeding**" means (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshaling of assets for creditors, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors; in each case in (a) and (b) above, undertaken under U.S. Federal, state or foreign law, including the Bankruptcy Code.

"**Intellectual Property**" means all rights, title and interests in or relating to intellectual property and industrial property arising under any Requirement of Law and all IP Ancillary Rights relating thereto, including all Copyrights, Patents, Trademarks, Internet domain names, Trade Secrets and IP Licenses..

"**Interest Payment Date**" means, (a) with respect to any LIBOR Rate Loan (other than a LIBOR Rate Loan having an Interest Period of six (6) months) the last day of each Interest Period applicable to such Loan, (b) with respect to any LIBOR Rate Loan having an Interest Period of six (6) months), the last day of each three (3) month interval and, without duplication, the last day of such Interest Period, and (c) with respect to Base Rate Loans (including Swing Loans) the last day of each calendar quarter.

"**Interest Period**" means, with respect to any LIBOR Rate Loan, the period commencing on the Business Day such Loan is disbursed or continued or on the Conversion Date on which a Base Rate Loan is converted to the LIBOR Rate Loan and ending on the date one, two, three, six or, if available to all applicable Lenders, twelve months thereafter, as selected by Borrower Representative in its Notice of Borrowing or Notice of Conversion/Continuation; provided that:

(a) if any Interest Period pertaining to a LIBOR Rate Loan would otherwise end on a day which is not a Business Day, that Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month, in which event such Interest Period shall end on the immediately preceding Business Day;

(b) any Interest Period pertaining to a LIBOR Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period;

(c) no Interest Period for any Revolving Loan shall extend beyond the Revolving Termination Date and no Interest Period for an Incremental Term Loan or any portion thereof shall extend beyond the last scheduled payment date therefor; and

(d) no Interest Period applicable to a Term Loan or portion thereof shall extend beyond any date upon which is due any scheduled principal payment in respect of such Term Loan unless the aggregate principal amount of such Term Loan represented by Base Rate Loans or by LIBOR

Rate Loans having Interest Periods that will expire on or before such date is equal to or in excess of the amount of such principal payment.

"**Inventory**" means all of the "inventory" (as such term is defined in the UCC) of the Borrowers and their Subsidiaries, including, but not limited to, all merchandise, raw materials, parts, supplies, work in process and finished goods intended for sale, together with all the containers, packing, packaging, shipping and similar materials related thereto, and including such inventory as is temporarily out of a Borrower's or such Subsidiary's custody or possession, including inventory on the premises of others and items in transit.

"**IP Ancillary Rights**" means, with respect to any other Intellectual Property, as applicable, all foreign counterparts to, and all divisionals, reversions, continuations, continuations-in-part, reissues, reexaminations, renewals and extensions of, such Intellectual Property and all income, royalties, proceeds and Liabilities at any time due or payable or asserted under or with respect to any of the foregoing or otherwise with respect to such Intellectual Property, including all rights to sue or recover at law or in equity for any past, present or future infringement, misappropriation, dilution, violation or other impairment thereof, and, in each case, all rights to obtain any other IP Ancillary Right.

"**IP License**" means all Contractual Obligations (and all related IP Ancillary Rights), whether written or oral, granting any right, title and interest in or relating to any Intellectual Property.

"**IRS**" means the Internal Revenue Service of the United States and any successor thereto.

"**Issue**" means, with respect to any Letter of Credit, to issue, extend the expiration date of, renew (including by failure to object to any automatic renewal on the last day such objection is permitted), increase the face amount of, or reduce or eliminate any scheduled decrease in the face amount of, such Letter of Credit, or to cause any Person to do any of the foregoing. The terms "**Issued**" and "**Issuance**" have correlative meanings.

"**Joint Fee Letter**" means that certain Joint Fee Letter, dated as of December 22, 2015, by and among Borrower Representative, Agent, Capital One, National Association, Fifth Third Bank and Citizens Bank, National Association (as amended, modified and/or supplemented from time to time in accordance with its terms.

"**Joint Lead Arrangers**" means, collectively, Capital One, National Association, Fifth Third Bank and Citizens Bank, National Association, each in their respective capacity as a Joint Lead Arranger hereunder.

"**Latest Maturity Date**" means, at any date of determination, the latest maturity or expiration date applicable to the latest to mature of any Loan or Commitment hereunder at such time, including the latest maturity or expiration date of any Term Loan, any Revolving Loan Commitment, any Incremental Term Loan Commitment, any Incremental Revolving Loan Commitment, any Extended Term Loan Commitment and any Extended Revolving Loan Commitments, in each case as extended in accordance with this Agreement from time to time.

"**L/C Issuer**" means HFS or an Affiliate thereof or a bank or other legally authorized Person selected by or acceptable to Agent in its sole discretion, in such Person's capacity as an issuer of Letters of Credit hereunder. As of the Closing Date, the "L/C Issuer" is HFS.

"**L/C Reimbursement Obligation**" means, for any Letter of Credit, the obligation of the Borrowers to the L/C Issuer thereof, as and when matured, to pay all amounts drawn under such Letter of Credit.

"**Lending Office**" means, with respect to any Lender, the office or offices of such Lender specified as its "Lending Office" beneath its name on the applicable signature page hereto, or such other office or offices of such Lender as it may from time to time notify Borrower Representative and Agent.

"**Letter of Credit**" means documentary or standby letters of credit Issued for the account of the Borrowers by L/C Issuers, and bankers' acceptances issued by a Borrower, for which Agent and Lenders have incurred Letter of Credit Obligations.

"**Letter of Credit Obligations**" means all outstanding obligations incurred by Agent and Lenders at the request of the Borrowers or Borrower Representative, whether direct or indirect, contingent or otherwise, due or not due, in connection with the Issuance of Letters of Credit by L/C Issuers or the purchase of a participation as set forth in Section 2.1(c) with respect to any Letter of Credit. The amount of such Letter of Credit Obligations shall equal the maximum amount that may be payable by Agent and Lenders thereupon or pursuant thereto.

"**Liabilities**" means all claims, actions, suits, judgments, damages, losses, liability, obligations, responsibilities, fines, penalties, sanctions, costs, fees, Taxes, commissions, charges, disbursements and expenses (including without limitation those incurred upon any appeal or in connection with the preparation for and/or response to any subpoena or request for document production relating thereto), in each case of any kind or nature (including interest accrued thereon or as a result thereto and fees, charges and disbursements of financial, legal and other advisors and consultants), whether joint or several, whether or not indirect, contingent, consequential, actual, punitive, treble or otherwise.

"**LIBOR**" means, for each Interest Period, the offered rate per annum (but not less than 0.00%) for deposits of Dollars for the applicable Interest Period that appears on Reuters Screen LIBOR01 Page (or the applicable successor page) as of 11:00 a.m. (London, England time) two (2) Business Days prior to the first day in such Interest Period. If no such offered rate exists, such rate will be the rate of interest per annum, as determined by Agent (rounded upwards, if necessary, to the nearest 1/100 of 1%) at which deposits of Dollars in immediately available funds are offered at 11:00 a.m. (London, England time) two (2) Business Days prior to the first day in such Interest Period by major financial institutions reasonably satisfactory to the Agent in the London interbank market for such Interest Period for the applicable principal amount on such date of determination.

"**LIBOR Rate Loan**" means a Loan that bears interest based on LIBOR.

"**Lien**" means any mortgage, deed of trust, pledge, hypothecation, collateral assignment, charge, deposit arrangement, encumbrance, easement, lien (statutory or otherwise), security interest or other security arrangement and any other preference, priority or preferential arrangement of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

"**Liquidity**" means, as of any date of determination, (a) Availability plus (b) available cash and Cash Equivalents in bank accounts or securities accounts subject to Control Agreements.

"**Loan**" means an extension of credit by a Lender to the Borrowers pursuant to Article II hereof, and may be a Base Rate Loan or a LIBOR Rate Loan.

"**Loan Documents**" means this Agreement, the Notes, the Fee Letters, the Collateral Documents and all documents delivered to the Agent and/or any Lender in connection with any of the foregoing.

"**Margin Stock**" means "margin stock" as such term is defined in Regulation T, U or X of the Federal Reserve Board.

"**Material Adverse Effect**" means an effect that results in or causes a material adverse change in any of (a) the condition (financial or otherwise), business, performance, operations or Property of the Credit Parties and their Subsidiaries taken as a whole; (b) the ability of any Credit Party to perform its obligations under any Loan Document; or (c) the validity or enforceability of any Loan Document or the rights and remedies of Agent, the Lenders and the other Secured Parties under any Loan Document.

"**Material Environmental Liabilities**" means Environmental Liabilities exceeding $1,500,000 in the aggregate.

"**Merger Agreement**" means that certain Agreement and Plan of Merger, dated as of December 22, 2015, among the Acquired Business, the Borrower Representative, Cast Acquisition Corp., a Delaware corporation and Fortis Advisors LLC, a Delaware limited liability company, solely in its capacity as the stockholders' representative thereunder.

"**Mortgage**" means any deed of trust, leasehold deed of trust, mortgage, leasehold mortgage, deed to secure debt, leasehold deed to secure debt or other document creating a Lien on Real Estate or any interest in Real Estate made by any Credit Party in favor of, or for the benefit of, Agent (or a nominee or sub-agent therefor) for the benefit of the Secured Parties (or any one or more of them), in form and substance reasonably satisfactory to Agent and Borrower (taking into account the law of the jurisdiction in which such deed of trust, leasehold deed of trust, mortgage, leasehold mortgage, deed to secure debt, leasehold deed to secure debt or similar document is to be recorded).

"**Multiemployer Plan**" means any multiemployer plan, as defined in Section 3(37) or 4001(a)(3) of ERISA, as to which any ERISA Affiliate incurs or otherwise has any obligation or liability, contingent or otherwise.

"**National Flood Insurance Program**" means the program created by the U.S. Congress pursuant to the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973, as revised by the National Flood Insurance Reform Act of 1994, that mandates the purchase of flood insurance to cover real property improvements located in Special Flood Hazard Areas in participating communities and provides protection to property owners through a federal insurance program.

"**Net Issuance Proceeds**" means, in respect of any issuance of debt or equity, cash proceeds (including cash proceeds as and when received in respect of non-cash proceeds received or receivable in connection with such issuance), net of brokers', advisors' and investment banking fees, underwriting discounts, commissions and other reasonable and customary out-of-pocket fees, costs and expenses paid or incurred in connection therewith in favor of any Person not an Affiliate of a Borrower.

"**Net Proceeds**" means proceeds in cash, checks or other cash equivalent financial instruments (including Cash Equivalents) as and when received by the Person making a Disposition and insurance proceeds received on account of an Event of Loss, net of: (a) in the event of a Disposition (i) the direct costs relating to such Disposition excluding amounts payable to a Borrower or any Affiliate of a Borrower, (ii) Taxes paid or payable as a result thereof, and (iii) amounts required to be applied to repay principal, interest and prepayment premiums and penalties on Indebtedness (other than the Obligations) secured by a Lien on the asset which is the subject of such Disposition and (iv) any escrow or reserve for any indemnification payments (fixed or contingent) attributable to seller's indemnities and representations and warranties to purchaser in respect of the applicable Disposition undertaken by any Borrower or any of their respective Subsidiaries or other liabilities in connection with such Disposition (provided that upon release of any such escrow or reserve, the amount released shall be considered Net Proceeds) and (b) in the event of an Event of Loss, (i) all money actually applied to repair or reconstruct the damaged Property or Property affected by the condemnation or taking, (ii) all of the costs and expenses reasonably incurred in connection with the collection of such proceeds, award or other payments, and (iii) any amounts retained by or paid to parties having superior rights to such proceeds, awards or other payments.

"**Non-Funding Lender**" means any Lender that has (a) failed to (i) fund any payments required to be made by it under the Loan Documents within two (2) Business Days after any such payment is due (excluding expense and similar reimbursements that are subject to good faith disputes) unless such Lender notifies Agent and Borrower Representative in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied or (ii) pay to Agent, any L/C Issuer, any Swingline Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Swing Loans) within two (2) Business Days of the date when due; (b) given written notice (and Agent has not received a revocation in writing), to a Borrower, Agent, any Lender, or any L/C Issuer or has otherwise publicly announced (and Agent has not received notice of a public retraction) that such Lender believes it will fail to fund payments or purchases of participations required to be funded by it under the Loan Documents or one or more other syndicated credit facilities (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), or (c) any Person that directly or indirectly controls such Lender has, (i) become subject to a voluntary or involuntary case under the Bankruptcy Code or any similar bankruptcy laws, (ii) had a custodian, conservator, receiver or similar official appointed for it or any substantial part of such Person's assets, or (iii) made a general assignment for the benefit of creditors, been liquidated, or otherwise been adjudicated as, or determined by any Governmental Authority having regulatory authority over such Person or its assets to be, insolvent or bankrupt, and for this clause (c), Agent has determined that such Lender is reasonably likely to fail to fund any payments required to be made by it under the Loan Documents. For purposes of this definition, control of a Person shall have the same meaning as in the second sentence of the definition of Affiliate.

"**Non-U.S. Lender Party**" means each of Agent, each Lender, each L/C Issuer, each SPV and each participant, in each case that is not a United States person under and as defined in Section 7701(a)(30) of the Code.

"**Note**" means any Revolving Note, Swingline Note or Term Note and "**Notes**" means all such Notes.

"**Notice of Borrowing**" means a notice given by Borrower Representative to Agent pursuant to Section 2.5, in substantially the form of Exhibit 1.1(b) hereto.

"**Obligations**" means all Loans, and other Indebtedness, advances, debts, liabilities, obligations, L/C Reimbursement Obligations, covenants and duties owing by any Credit Party to any Lender, Agent, any L/C Issuer, any Secured Swap Provider or any Person required to be indemnified, that arises under any Loan Document or any Secured Rate Contract or letter of credit reimbursement or similar agreement, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, guaranty, indemnification or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired; provided, that Obligations of any Guarantor shall not include any Excluded Rate Contract Obligations solely of such Guarantor.

"**Omnibus Reaffirmation Agreement**" means that certain Omnibus Reaffirmation Agreement, dated as of the Closing Date, among the Agent and the Credit Parties party thereto.

"**Organization Documents**" means, (a) for any corporation, the certificate or articles of incorporation, the bylaws, any certificate of determination or instrument relating to the rights of preferred shareholders of such corporation, and any shareholder rights agreement, (b) for any partnership, the partnership agreement and, if applicable, certificate of limited partnership, (c) for any limited liability company, the operating agreement and articles or certificate of formation or (d) for any other entity, any other document setting forth the manner of election or duties of the officers, directors, managers or other

similar persons, or the designation, amount or relative rights, limitations and preference of the Stock of a Person.

"**Other Connection Taxes**" means, with respect to any Secured Party, Taxes imposed as a result of a present or former connection between such Secured Party and the jurisdiction imposing such Tax (or any political subdivision thereof), other than any such connection arising solely from the Secured Party having executed, delivered, become a party to, performed its obligations or received a payment under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document or sold or assigned an interest in any Loan or Loan Document.

"**Patents**" means all rights, title and interests (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to letters patent and applications therefor.

"**Patriot Act**" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, P.L. 107-56, as amended.

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

"**Permits**" means, with respect to any Person, any permit, approval, authorization, license, registration, certificate, concession, grant, franchise, variance or permission from, and any other Contractual Obligations with, any Governmental Authority, in each case whether or not having the force of law and applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"**Permitted Acquisition**" means any Acquisition by (i) a Borrower or any Wholly-Owned Subsidiary of a Borrower of all or substantially all of the assets of a Target or (ii) a Borrower or any Wholly-Owned Subsidiary of a Borrower of 100% of the Stock and Stock Equivalents of a Target (excluding up to 10% of such Stock and Stock Equivalents retained by management and employees of such Target as rollover equity) to the extent that each of the following conditions shall have been satisfied:

(a) to the extent the Acquisition will be financed in whole or in part with the proceeds of any Loan, the conditions set forth in Section 3.2 shall have been satisfied;

(b) the Borrowers shall have furnished to the Agent a certificate of a Responsible Officer of Borrower Representative demonstrating, on a pro forma basis after giving effect to the consummation of such Acquisition calculated as of the last day of the most recent month preceding the date on which the Acquisition is consummated for which financial statements have been delivered, that the Leverage Ratio does not exceed the lesser of (A) 3.25:1.00 and (B) the maximum Leverage Ratio permitted under Section 7.1 as of the last day of the most recently ended month for which financial statements have been delivered (or were required to have been delivered) under Section 5.1;

(c) except with respect to an Acquisition in which the Acquisition Consideration is less than $10,000,000, the Borrowers shall have furnished to the Agent (for itself and on behalf of the Lenders) each of the following:

(i) at least five (5) Business Days prior to the consummation thereof (or such shorter period as Agent may accept), notice of such proposed Acquisition setting forth in reasonable detail the terms and conditions of such Acquisition;

(ii) on or prior to the date of such proposed Acquisition, executed counterparts of the respective material agreements, documents, consents and approvals pursuant to which such Acquisition is to be consummated (or, if executed counterparts are not available, unsigned execution versions of such documents with executed counterparts to follow promptly after the closing of such Acquisition);

(iii) (A) to the extent available, a due diligence package (including a quality of earnings report) and (B) pro forma financial statements of CryoLife and its Subsidiaries after giving effect to the consummation of such Acquisition and the incurrence or assumption of any Indebtedness in connection therewith;

(iv) to the extent required by Agent and available, environmental assessments satisfactory to Agent; and

(v) to the extent required pursuant to the applicable acquisition agreement, all required regulatory and third party approvals;

(d) such Acquisition shall not be hostile and shall have been approved by the board of directors (or other similar body) and/or the stockholders or other equity holders of the Target;

(e) no Default or Event of Default shall exist at the time of the consummation of such Acquisition; provided, that with respect to an Acquisition funded solely with a combination of (i) the proceeds of an Incremental Term Loan, (ii) Stock or Stock Equivalents of CryoLife (other than Disqualified Stock) and/or (iii) the Net Issuance Proceeds of the issuance of Stock or Stock Equivalents of CryoLife (other than the Net Issuance Proceeds of the issuance of Disqualified Stock and of Specified Equity Raises), the Persons providing such Incremental Term Loan may agree to a "Funds Certain Provision" that does not impose as a condition to funding thereof that no Default or Event of Default exist at the time of the consummation of such Acquisition (other than Events of Default under Section 8.1(a), Section 8.1(f) or Section 8.1(g));

(f) after giving effect to such Acquisition, Liquidity shall be not less than $5,000,000;

(g) the total consideration paid or payable (including without limitation, all costs and expenses and any deferred payments and indebtedness assumed and/or incurred in connection therewith, but excluding royalties and earn-out payments that are performance based) (such amounts, collectively, the "**Acquisition Consideration**") for all Permitted Acquisitions consummated during the term of this Agreement (other than, for the avoidance of doubt, the PhotoFix Acquisition and the ProCol Acquisition), less the portion of any such Acquisition Consideration funded with the (i) Stock or Stock Equivalents of CryoLife (other than Disqualified Stock) and/or (ii) the Net Issuance Proceeds of the issuance of Stock or Stock Equivalents of CryoLife (other than the Net Issuance Proceeds of the issuance of Disqualified Stock and of Specified Equity Raises), shall not exceed (A) $30,000,000 in the aggregate for all such Permitted Acquisitions consummated in any Fiscal Year and (B) $75,000,000 in the aggregate for all such Permitted Acquisitions consummated during the term of this Agreement of which no more than $25,000,000 in the aggregate shall consist of Permitted Acquisitions (1) by Foreign Subsidiaries and (2) of Foreign Targets; provided each of the foregoing limits may be increased by the Available Amount used to finance all or a portion of such Permitted Acquisition; and

(h) with respect to any Acquisition (i) consummated within six months after the Closing Date and (ii) with aggregate Acquisition Consideration in excess of $50,000,000, each Initial Lender shall have provided its prior written consent to such Acquisition.

"**Person**" means any individual, partnership, corporation (including a business trust and a public benefit corporation), limited liability company, joint stock company, estate, association, firm, enterprise, trust, unincorporated association, joint venture and any other entity or Governmental Authority.

"**PhotoFix Acquisition**" means the acquisition by CryoLife of the bovine pericardium products branded, as of the date hereof, as PhotoFix™, as contemplated under the "Option to Purchase" set forth in Article 15 of that certain Exclusive Supply and Distribution Agreement between CryoLife and Genesee Biomedical, Inc., dated March 11, 2014, as amended.

"**Pledged Collateral**" has the meaning specified in the Guaranty and Security Agreement and shall include any other Collateral required to be delivered to Agent pursuant to the terms of any Collateral Document.

"**Prior Indebtedness**" means the Indebtedness and obligations specified on Schedule 1.1 hereto.

"**ProCol Acquisition**" means the acquisition by CryoLife of the vascular bioprosthesis products branded, as of the date hereof, as ProCol®, as contemplated under the "Option to Purchase" set forth in Article 16 of that certain Exclusive Supply and Distribution Agreement between CryoLife and Hancock Jaffee Laboratories, Inc., dated March 26, 2014, as amended.

"**Pro Forma EBITDA**" means EBITDA adjusted to reflect (i) operating expense reductions and other operating improvements, synergies or cost savings reasonably expected to result from any relevant pro forma event and (ii) all adjustments of the type used in connection with the calculation of EBITDA as set forth above to the extent such adjustments, without duplication, continue to be applicable, in each case calculated by the Borrowers and approved by the Agent.

"**Property**" means any interest in any kind of property or asset, whether real, personal or mixed, and whether tangible or intangible.

"**Qualified ECP Guarantor**" means, in respect of any Swap Obligation under a Secured Rate Contract, each Credit Party that has total assets exceeding $10,000,000 at the time the relevant guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation under a Secured Rate Contract or such other person as constitutes an "eligible contract participant" under the Commodity Exchange Act and can cause another person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"**Rate Contracts**" means any agreements or arrangements designed to provide protection against fluctuations in interest or currency exchange rates.

"**Real Estate**" means any real property owned, leased, subleased or otherwise operated or occupied by any Credit Party or any Subsidiary of any Credit Party.

"**Registrations**" means authorizations, approvals, licenses, permits, certificates, or exemptions issued by any Governmental Authority (including pre-market approval applications, pre-market notifications, investigational device exemptions, product recertifications, manufacturing approvals and authorizations, CE Marks, pricing and reimbursement approvals, labeling approvals or their foreign equivalent) held by the Credit Parties or their Subsidiaries immediately prior to the Closing Date, that are required for the research, development, manufacture, distribution, marketing, storage, transportation, use and sale of the products of the Credit Parties and their Subsidiaries.

"**Related Agreements**" means the Merger Agreement and each other material agreement entered into in connection therewith by any of the Borrowers or their Subsidiaries.

"**Related Persons**" means, with respect to any Person, each Affiliate of such Person and each director, officer, employee, agent, trustee, representative, attorney, accountant and each insurance, environmental, legal, financial and other advisor (including those retained in connection with the satisfaction or attempted satisfaction of any condition set forth in Article III) and other consultants and agents of or to such Person or any of its Affiliates.

"**Related Transactions**" means the transactions contemplated by the Related Agreements and includes the Closing Date Acquisition.

"**Releases**" means any release, threatened release, spill, emission, leaking, pumping, pouring, emitting, emptying, escape, injection, deposit, disposal, discharge, dispersal, dumping, leaching or migration of Hazardous Material into or through the environment.

"**Remedial Action**" means all actions required to (a) clean up, remove, treat or in any other way address any Hazardous Material in the indoor or outdoor environment, (b) prevent or minimize any Release so that a Hazardous Material does not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment or (c) perform pre remedial studies and investigations and post-remedial monitoring and care with respect to any Hazardous Material.

"**Required Lenders**" means at any time (a) Lenders then holding at least more than fifty percent (50%) of the sum of the Aggregate Revolving Loan Commitment then in effect, plus the aggregate unpaid principal balance of the Term Loans then outstanding, or (b) if the Aggregate Revolving Loan Commitments have been terminated, Lenders then having at least more than fifty percent (50%) of the sum of the aggregate unpaid principal amount of Loans (other than Swing Loans) then outstanding, Letter of Credit Obligations, amounts of participations in Swing Loans and the principal amount of unparticipated portions of Swing Loans; provided, however, that so long as there are two or more Lenders party to this Agreement which are not Affiliates, Required Lenders shall require at least two Lenders which are not Affiliates. Such portion of the Aggregate Revolving Loan Commitment (or Revolving Loans, as applicable) and the sum of the aggregate unpaid principal amount of the Term Loans then outstanding, as applicable, held or deemed held by a Non-Funding Lender shall be excluded for purposes of making a determination of Required Lenders at any time.

"**Required Revolving Lenders**" means at any time (a) Lenders then holding at least more than fifty percent (50%) of the sum of the Aggregate Revolving Loan Commitments then in effect, or (b) if the Aggregate Revolving Loan Commitments have been terminated, Lenders then having at least more than fifty percent (50%) of the sum of the aggregate outstanding amount of Revolving Loans, outstanding Letter of Credit Obligations, amounts of participations in Swing Loans and the principal amount of unparticipated portions of Swing Loans; provided, however, that so long as there are two or more Revolving Lenders party to this Agreement which are not Affiliates, Required Revolving Lenders shall require at least two Revolving Lenders which are not Affiliates. Such portion of the Aggregate Revolving Loan Commitment (or Revolving Loans, as applicable) and the sum of the aggregate unpaid principal amount of the Revolving Loans then outstanding, as applicable, held or deemed held by a Non-Funding Lender shall be excluded for purposes of making a determination of Required Revolving Lenders at any time.

"**Requirement of Law**" means, with respect to any Person, the common law and any federal, state, local, foreign, multinational or international laws, statutes, codes, treaties, standards, rules and regulations, ordinances, orders, judgments, writs, injunctions, decrees (including administrative or judicial precedents or authorities) and the interpretation or administration thereof by, and other determinations, directives, requirements or requests of, any Governmental Authority, in each case that are applicable to or binding upon such Person or any of its Property or to which such Person or any of its Property is subject, including without limitation the FDA Laws and the Federal Health Care Program Laws.

"**Responsible Officer**" means the chief executive officer or the president of a Borrower or Borrower Representative, as applicable, or any other officer having substantially the same authority and responsibility; or, with respect to compliance with financial covenants or delivery of financial information, the chief financial officer or the treasurer of a Borrower or Borrower Representative, as applicable, or any other officer having substantially the same authority and responsibility.

"**Revolving Lender**" means each Lender with a Revolving Loan Commitment (or if the Revolving Loan Commitments have terminated, who hold Revolving Loans or participations in Swing Loans or Letter of Credit Obligations).

"**Revolving Loan**" means a Loan made or deemed to have been made pursuant to Section 2.1(b), Section 2.1(c)(vi)(B), Section 2.1(d)(iii)(B) or pursuant to Incremental Revolving Loan Commitments or Extended Revolving Loan Commitments.

"**Revolving Loan Commitment**" means, with respect to each Revolving Lender, the commitment of such Revolving Lender to make Revolving Loans and acquire interests in Letter of Credit Obligations and Swing Loans, which initial commitments are set forth opposite such Lender's name in Schedule 2.1(b) under the heading "Revolving Loan Commitments", as such commitment may be (a) reduced from time to time pursuant to this Agreement and (b) reduced or increased from time to time pursuant to (i) assignments by or to such Revolving Lender pursuant to an Assignment, (ii) an amendment or joinder agreement with respect to an Incremental Revolving Loan Commitment or (iii) an Extension with respect to Extended Revolving Loan Commitments.

"**Revolving Note**" means a promissory note of the Borrowers payable to the order of a Lender in substantially the form of Exhibit 1.1(c) hereto, evidencing Indebtedness of the Borrowers under the Revolving Loan Commitment of such Lender.

"**Revolving Termination Date**" **means** the earlier to occur of: (a) January 20, 2021; and (b) the date on which the Aggregate Revolving Loan Commitment shall terminate in accordance with the provisions of this Agreement; provided that the reference to Revolving Termination Date with respect to Extended Revolving Loan Commitments whose maturity has been established pursuant to Section 10.1(f) shall be the date to which such Revolving Termination Date shall have been so extended or such maturity date as so established.

"**Sale Leaseback Transaction**" means a transaction whereby Borrower Representative or any of its Subsidiaries sells or transfers, or agrees to sell or transfer, Property (whether real, personal or mixed) and subsequently Borrower Representative or one of its Subsidiaries becomes liable as lessee or as guarantor or other surety with respect to any lease (whether an operating lease or a Capital Lease) of the Property which was sold or transferred or any other Property which the Borrower or any of its Subsidiaries intends to use for substantially the same purpose or purposes as the Property which was sold or transferred.

"**Secured Party**" means the Agent, each Lender, each L/C Issuer, each other Indemnitee and each other holder of any Obligation of a Credit Party including each Secured Swap Provider.

"**Secured Rate Contract**" means any Rate Contract between a Borrower (or other Credit Party) and the counterparty thereto, (i) where said counterparty is (or was at the time such Rate Contract was entered into) a Lender or an Affiliate of a Lender or (ii) which Agent has acknowledged in writing constitutes a "Secured Rate Contract" hereunder.

"**Secured Swap Provider**" means a Lender or an Affiliate of a Lender (or a Person who was a Lender or an Affiliate of a Lender at the time of execution and delivery of a Rate Contract) who has entered into a Secured Rate Contract with a Borrower (or other Credit Party).

"**Solvent**" means, with respect to any Person as of any date of determination, that, as of such date, (a) the value of the assets of such Person (both at fair value and present fair saleable value) is greater than the total amount of liabilities (including contingent and unliquidated liabilities) of such Person, (b) such Person is able to pay all liabilities of such Person as such liabilities mature and (c) such Person does not have unreasonably small capital. In computing the amount of contingent or unliquidated liabilities at any time, such liabilities shall be computed at the amount that, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"**Special Flood Hazard Area**" means an area that FEMA's current flood maps indicate has at least a one percent (1%) chance of a flood equal to or exceeding the base flood elevation (a 100-year flood) in any given year.

"**Specified Event of Default**" means an Event of Default under Section 8.1(a), Section 8.1(f) or Section 8.1(g).

"**Spot Exchange Rate**" means, at any date of determination thereof, the U.S.-dollar foreign-exchange rate for Euros for the most recent reported date published by the Wall Street Journal on its website at http://online.wsj.com on the "Exchange Rates: New York Closing Snapshot" page (or such other page as may replace such page on such service for the purpose of displaying the New York Closing foreign-exchange rate for the conversion of Dollars into Euros or Euros into Dollars); provided that if there shall at any time no longer exist such a page on such service, the foreign-exchange rate shall be determined by reference to another similar rate publishing service selected by the Agent and reasonably acceptable to the Borrowers

"**SPV**" means any special purpose funding vehicle identified as such in a writing by any Lender to the Agent.

"**SSA**" means the Social Security Act of 1935, codified at Title 42, Chapter 7, of the United States Code.

"**Stock**" means all shares of capital stock (whether denominated as common stock or preferred stock), equity interests, beneficial, partnership or membership interests, joint venture interests, participations or other ownership or profit interests in or equivalents (regardless of how designated) of or in a Person (other than an individual), whether voting or non-voting.

"**Stock Equivalents**" means all securities convertible into or exchangeable for Stock or any other Stock Equivalent and all warrants, options or other rights to purchase, subscribe for or otherwise acquire any Stock or any other Stock Equivalent, whether or not presently convertible, exchangeable or exercisable. Notwithstanding the foregoing, Stock Equivalents shall not include debt securities convertible into Stock or any of the foregoing.

"**Subordinated Indebtedness**" means Indebtedness of any Credit Party or any Subsidiary of any Credit Party which is subordinated to the Obligations as to right and time of payment and as to other rights and remedies thereunder and having such subordination and other terms as are, in each case, reasonably satisfactory to Agent**.**

"**Subsidiary**" of a Person means any corporation, association, limited liability company, partnership, joint venture or other business entity of which more than fifty percent (50%) of the voting Stock (in the case of Persons other than corporations), is owned or controlled directly or indirectly by the Person, or one or more of the Subsidiaries of the Person, or a combination thereof.

"**Swap Obligation**" means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act.

"**Swingline Commitment**" means $3,000,000.

"**Swingline Lender**" means, each in its capacity as Swingline Lender hereunder, HFS or, upon the resignation of HFS as Agent hereunder, any Lender (or Affiliate or Approved Fund of any Lender) that agrees, with the approval of Agent (or, if there is no such successor Agent, the Required Lenders) and the Borrowers, to act as the Swingline Lender hereunder.

"**Swingline Note**" means a promissory note of the Borrowers payable to the Swingline Lender, in substantially the form of Exhibit 1.1(c) hereto, evidencing the Indebtedness of the Borrowers to the Swingline Lender resulting from the Swing Loans made to the Borrowers by the Swingline Lender.

"**Syndication Agent**" means Fifth Third Bank, in its capacity as Syndication Agent.

"**Target**" means any other Person or business unit, product line, division or asset group of any other Person acquired or proposed to be acquired in an Acquisition.

"**Tax Affiliate**" means, (a) each Borrower and its Subsidiaries and (b) any Affiliate of a Borrower with which such Borrower files or is eligible to file consolidated, combined or unitary Tax returns.

"**Term Lender**" means each Lender who holds Term Loans.

"**Term Loan**" means any term loan made hereunder pursuant to Section 2.1(a) (including Initial Term Loans), including, unless the context shall otherwise requires, any Incremental Term Loan and any Extended Term Loan.

"**Term Loan Commitment**" means, with respect to each Lender, such Lender's Term Loan Commitment, as amended to reflect Assignments and as such amount may be reduced or increased pursuant to this Agreement. Unless the context shall otherwise require, the term "Term Loan Commitments" shall include any Incremental Term Loan Commitment of such Lender as set forth in any amendment under Section 2.13(d), any commitment to extend Term Loans of such Lender under Section 10.1(f).

"**Term Note**" means a promissory note of the Borrowers payable to a Lender, in substantially the form of Exhibit 1.1(c) hereto, evidencing the Indebtedness of the Borrowers to such Lender resulting from the Term Loan made to the Borrowers by such Lender or its predecessor(s).

"**Title IV Plan**" means a pension plan subject to Title IV of ERISA, other than a Multiemployer Plan, to which any ERISA Affiliate incurs or otherwise has any obligation or liability, contingent or otherwise.

"**Trade Secrets**" means all right, title and interest (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to trade secrets.

"**Trademark**" means all rights, title and interests (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers and, in each case, all goodwill associated therewith, all registrations and recordations thereof and all applications in connection therewith.

"**Treaty on European Union**" means the Treaty of Rome of March 25, 1957, as amended by the Single European Act 1986 and the Maastricht Treaty (which was signed in Maastricht on February 7, 1992 and came into force on November 1, 1993).

"**UCC**" means the Uniform Commercial Code of any applicable jurisdiction and, if the applicable jurisdiction shall not have any Uniform Commercial Code, the Uniform Commercial Code as in effect from time to time in the State of New York.

"**United States**" and "**U.S.**" each means the United States of America.

"**U.S. Lender Party**" means each of the Agent, each Lender, each L/C Issuer, each SPV and each participant, in each case that is a United States person under and as defined in Section 7701(a)(30) of the Code.

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness at any date, the number of years obtained by dividing: (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment by (b) the then outstanding principal amount of such Indebtedness; provided that for purposes of determining the Weighted Average Life to Maturity of any Indebtedness that is being modified, refinanced, refunded, renewed, replaced or extended, the effects of any prepayments made on such Indebtedness prior to the date of the applicable extension shall be disregarded.

"**Wholly-Owned Subsidiary**" means any Subsidiary in which (other than directors' qualifying shares required by law) one hundred percent (100%) of the Stock and Stock Equivalents, as of the time which any determination is being made, is owned, beneficially and of record, by any Credit Party, or by one or more of the other Wholly-Owned Subsidiaries, or both.

"**Withdrawal Liabilities**" means, at any time, any liability incurred (whether or not assessed) by any ERISA Affiliate and not yet satisfied or paid in full at such time with respect to any Multiemployer Plan pursuant to Section 4201 of ERISA.

1.2 Other Interpretive Provisions.

(a) Defined Terms. Unless otherwise specified herein or therein, all terms defined in this Agreement or in any other Loan Document shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto. The meanings of defined terms shall be equally applicable to the singular and plural forms of the defined terms. Terms (including uncapitalized terms) not otherwise defined herein and that are defined in the UCC shall have the meanings therein described.

(b) The Agreement. The words "**hereof**", "**herein**", "**hereunder**" and words of similar import when used in this Agreement or any other Loan Document shall refer to this Agreement or such other Loan Document as a whole and not to any particular provision of this Agreement or such other Loan Document; and subsection, section, schedule and exhibit references are to this Agreement or such other Loan Documents unless otherwise specified.

(c) Certain Common Terms. The term "**documents**" includes any and all instruments, documents, agreements, certificates, indentures, notices and other writings, however evidenced. The term "**including**" is not limiting and means "including without limitation." Whenever any provision refers to the "knowledge" (or an analogous phrase) of any Credit Party, such words are intended to signify that a Responsible Officer or other member of management of such Credit Party has actual knowledge or awareness of a particular fact or circumstance or that a Responsible Officer or other

member of management of such Credit Party, if such Person had exercised reasonable diligence, would have known or been aware of such fact or circumstance.

(d) Performance; Time. Whenever any performance obligation hereunder or under any other Loan Document (other than a payment obligation) shall be stated to be due or required to be satisfied on a day other than a Business Day, such performance shall be made or satisfied on the next succeeding Business Day. For the avoidance of doubt, the initial payments of interest and fees relating to the Obligations (other than amounts due on the Closing Date) shall be due and paid on the first day of the first month or quarter, as applicable, following the entry of the Obligations onto the operations systems of Agent, but in no event later than the first day of the second month or quarter, as applicable, following the Closing Date. In the computation of periods of time from a specified date to a later specified date, the word "**from**" means "from and including"; the words "**to**" and "**until**" each mean "to but excluding", and the word "**through**" means "to and including." All references to the time of day shall be a reference to New York time. If any provision of this Agreement or any other Loan Document refers to any action taken or to be taken by any Person, or which such Person is prohibited from taking, such provision shall be interpreted to encompass any and all means, direct or indirect, of taking, or not taking, such action.

(e) Contracts. Unless otherwise expressly provided herein or in any other Loan Document, references to agreements and other contractual instruments, including this Agreement and the other Loan Documents, shall be deemed to include all subsequent amendments, thereto, restatements and substitutions thereof and other modifications and supplements thereto which are in effect from time to time, but only to the extent such amendments and other modifications are not prohibited by the terms of any Loan Document.

(f) Laws. References to any statute or regulation may be made by using either the common or public name thereof or a specific cite reference and, except as otherwise provided with respect to FATCA, are to be construed as including all statutory and regulatory provisions related thereto or consolidating, amending, replacing, supplementing or interpreting the statute or regulation.

1.3Accounting Terms and Principles. All accounting determinations required to be made pursuant hereto shall, unless expressly otherwise provided herein, be made in accordance with GAAP. No change in the accounting principles used in the preparation of any financial statement hereafter adopted by CryoLife (including without limitation any change in GAAP that would require leases that would be classified as operating leases under GAAP on the Closing Date to be reclassified as Capital Leases) shall be given effect for purposes of measuring compliance with any provision of Article VI or VII, calculating the Applicable Margin or otherwise determining any relevant ratios and baskets which govern whether any action is permitted hereunder unless the Borrowers, Agent and the Required Lenders agree to modify such provisions to reflect such changes in GAAP and, unless such provisions are modified, all financial statements, Compliance Certificates and similar documents provided hereunder shall be provided together with a reconciliation between the calculations and amounts set forth therein before and after giving effect to such change in GAAP. 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 in Article VI and Article VII shall be made, without giving effect to any election under Accounting Standards Codification 825-10 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other Liabilities of any Credit Party or any Subsidiary of any Credit Party at "fair value." A breach of a financial covenant contained in Article VII shall be deemed to have occurred as of any date of determination by Agent or as of the last day of any specified measurement period, regardless of when the financial statements reflecting such breach are delivered to Agent.

1.4 Payments. The Agent may set up standards and procedures to determine or redetermine the equivalent in Dollars of any amount expressed in any currency other than Dollars and otherwise may, but shall not be obligated to, rely on any determination made by any Credit Party or any L/C Issuer. Any such determination or redetermination by the Agent shall be conclusive and binding for all purposes, absent manifest error. No determination or redetermination by any Secured Party or any Credit Party and no other currency conversion shall change or release any obligation of any Credit Party or of any Secured Party (other than the Agent and its Related Persons) under any Loan Document, each of which agrees to pay separately for any shortfall remaining after any conversion and payment of the amount as converted. The Agent may round up or down, and may set up appropriate mechanisms to round up or down, any amount hereunder to nearest higher or lower amounts and may determine reasonable *de minimis* payment thresholds.

ARTICLE II

THE CREDITS

2.1 Amounts and Terms of Commitments.

(a) The Term Loan.

(i) Subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties of the Credit Parties contained herein, each Lender with a Term Loan Commitment severally and not jointly agrees to lend to the Borrowers on the Closing Date, the amount set forth opposite such Lender's name in Schedule 2.1(a) under the heading "Term Loan Commitment". Amounts borrowed under this Section 2.1(a)(i) are referred to as the "**Initial Term Loan**."

(ii) Amounts borrowed as a Term Loan which are repaid or prepaid may not be reborrowed.

(b) The Revolving Credit. Subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties of the Credit Parties contained herein, each Revolving Lender severally and not jointly agrees to make Loans to the Borrowers (each such Loan and each Incremental Revolving Loan (if any), a "**Revolving Loan**") from time to time on any Business Day during the period from the Closing Date through the Final Availability Date, in an aggregate amount not to exceed at any time outstanding such Lender's Revolving Loan Commitment, which Revolving Loan Commitments, as of the Closing Date, are set forth opposite such Lender's name in Schedule 2.1(b) under the heading "Revolving Loan Commitments"; provided, however, that, after giving effect to any Borrowing of Revolving Loans, the aggregate principal amount of all outstanding Revolving Loans shall not exceed the Maximum Revolving Loan Balance. Subject to the other terms and conditions hereof, amounts borrowed under this Section 2.1(b) may be repaid and reborrowed from time to time. The "**Maximum Revolving Loan Balance**" from time to time will be the Aggregate Revolving Loan Commitment then in effect, less the sum of (I) the aggregate amount of Letter of Credit Obligations plus (II) the aggregate principal amount of outstanding Swing Loans.

If at any time the then outstanding principal balance of Revolving Loans exceeds the Maximum Revolving Loan Balance, then the Borrowers shall immediately prepay the outstanding Revolving Loans in an amount sufficient to eliminate such excess.

(c) Letters of Credit.

(i) Commitment and Conditions. On the terms and subject to the conditions contained herein, each L/C Issuer agrees to Issue, at the request of Borrower Representative, in accordance

with such L/C Issuer's usual and customary business practices, and for the account of the Borrowers (or, as long as the Borrowers remain responsible for the payment in full of all amounts drawn thereunder and related fees, costs and expenses, for the account of any Subsidiary of a Borrower), Letters of Credit (denominated in Dollars) from time to time on any Business Day during the period from the Initial Closing Date through the earlier of (x) seven (7) days prior to the date specified in clause (a) of the definition of Revolving Termination Date and (y) the date on which the Aggregate Revolving Loan Commitment shall terminate in accordance with the provisions of this Agreement; provided, however, that such L/C Issuer shall not Issue any Letter of Credit upon the occurrence of any of the following or, if after giving effect to such Issuance:

(A) Availability would be less than zero, or (ii) the Letter of Credit Obligations for all Letters of Credit would exceed $4,000,000 (the "**L/C Sublimit**");

(B) the expiration date of such Letter of Credit (i) is not a Business Day, (ii) is more than one year after the date of Issuance thereof or (iii) is later than seven (7) days prior to the date specified in clause (a) of the definition of Revolving Termination Date; provided, however, that any Letter of Credit with a term not exceeding one year may provide for its renewal for additional periods not exceeding one year as long as (x) each of Borrower and such L/C Issuer have the option to prevent such renewal before the expiration of such term or any such period and (y) neither such L/C Issuer nor Borrower shall permit any such renewal to extend such expiration date beyond the date set forth in clause (iii) above; provided further that notwithstanding the foregoing, Agent and the L/C Issuer, in their respective sole discretion, may agree to extend such Letter of Credit beyond the date set forth in clause (iii) above upon Borrower either (A) delivering to Agent for the benefit of the L/C Issuer cash equal to 103% (or such greater percentage as the L/C Issuer may require in the case of any Letter of Credit with an expiration date later than one year after the date of providing such cash collateral) of the sum of (1) the aggregate undrawn amount of such Letter of Credit at such time plus (2) the aggregate principal amount of all L/C Reimbursement Obligations outstanding at such time with respect to such Letter of Credit that have matured, in each instance, on and as of the date of such extension, for deposit in a cash collateral account which cash collateral account will be held as a pledged cash collateral account and applied to reimbursement of all drafts submitted under such outstanding Letter of Credit or (B) delivering to the L/C Issuer on the date of such extension one or more letters of credit for the benefit of the L/C Issuer, issued by a bank reasonably acceptable to the L/C Issuer in its sole discretion, each in form and substance reasonably acceptable to the L/C Issuer in its sole discretion and in an amount equal to the sum of (1) and (2) above; or

(C) (i) any fee due in connection with, and on or prior to, such Issuance has not been paid, (ii) such Letter of Credit is requested to be Issued in a form that is not acceptable to such L/C Issuer or (iii) such L/C Issuer shall not have received, each in form and substance reasonably acceptable to it and duly executed by the Borrowers or Borrower Representative on their behalf (and, if such Letter of Credit is Issued for the account of any Subsidiary of a Borrower, such Person), the documents that such L/C Issuer generally uses in the ordinary course of its business for the Issuance of letters of credit of the type of such Letter of Credit (collectively, the "**L/C Reimbursement Agreement**").

For each Issuance, the applicable L/C Issuer may, but shall not be required to, determine that, or take notice whether, the conditions precedent set forth in Section 3.2 have been satisfied or waived in connection with the Issuance of any Letter of Credit; provided, however, that no Letter of Credit shall be Issued during the period starting on the first Business Day after the receipt by such L/C Issuer of notice from Agent or the Required Revolving Lenders that any condition precedent contained in Section 3.2 is not satisfied and ending on the date all such conditions are satisfied or duly waived.

Notwithstanding anything else to the contrary herein, if any Lender is a Non-Funding Lender or Impacted Lender, no L/C Issuer shall be obligated to Issue any Letter of Credit unless (w) the Non-Funding Lender or Impacted Lender has been replaced in accordance with Section 10.9 or 10.22, (x) the Letter of Credit Obligations of such Non-Funding Lender or Impacted Lender have been cash collateralized in amounts, on terms and conditions and with parties satisfactory to the Agent, (y) the Revolving Loan Commitments of the other Lenders have been increased by an amount sufficient to satisfy Agent that all future Letter of Credit Obligations will be covered by all Revolving Lenders that are not Non-Funding Lenders or Impacted Lenders, or (z) the Letter of Credit Obligations of such Non-Funding Lender or Impacted Lender have been reallocated to other Revolving Lenders in a manner consistent with subsection 2.11(e)(ii).

(ii) Notice of Issuance. Borrower Representative shall give the relevant L/C Issuer and the Agent a notice of any requested Issuance of any Letter of Credit, which shall be effective only if received by such L/C Issuer and the Agent not later than 11:00 a.m. on the third Business Day prior to the date of such requested Issuance. Such notice shall be made in a writing or by Electronic Transmission substantially in the form of Exhibit 2.1(c)) duly completed or in a writing in any other form acceptable to such L/C Issuer (an "**L/C Request**") or by telephone if confirmed promptly, but in any event within one Business Day and prior to such Issuance, with such an L/C Request.

(iii) Reporting Obligations of L/C Issuers. Each L/C Issuer agrees to provide the Agent (which, after receipt, the Agent shall provide to each Revolving Lender), in form and substance satisfactory to the Agent, each of the following on the following dates: (A) (i) on or prior to any Issuance of any Letter of Credit by such L/C Issuer, (ii) immediately after any drawing under any such Letter of Credit or (iii) immediately after any payment (or failure to pay when due) by the Borrowers of any related L/C Reimbursement Obligation, notice thereof, which shall contain a reasonably detailed description of such Issuance, drawing or payment; (B) upon the request of Agent (or any Revolving Lender through Agent), copies of any Letter of Credit Issued by such L/C Issuer and any related L/C Reimbursement Agreement and such other documents and information as may reasonably be requested by Agent; and (C) on the first Business Day of each calendar week, a schedule of the Letters of Credit Issued by such L/C Issuer, in form and substance reasonably satisfactory to Agent, setting forth the Letter of Credit Obligations for such Letters of Credit outstanding on the last Business Day of the previous calendar week.

(iv) Acquisition of Participations. Upon any Issuance of a Letter of Credit in accordance with the terms of this Agreement resulting in any increase in the Letter of Credit Obligations, each Revolving Lender shall be deemed to have acquired, without recourse or warranty, an undivided interest and participation in such Letter of Credit and the related Letter of Credit Obligations in an amount equal to its Commitment Percentage of such Letter of Credit Obligations.

(v) Reimbursement Obligations of the Borrowers. The Borrowers agree to pay to the L/C Issuer of any Letter of Credit, or to Agent for the benefit of such L/C Issuer, each L/C Reimbursement Obligation owing with respect to such Letter of Credit no later than the first Business Day after the Borrowers or Borrower Representative receive notice from such L/C Issuer or from Agent that payment has been made under such Letter of Credit or that such L/C Reimbursement Obligation is otherwise due (the "L/C Reimbursement Date") with interest thereon

computed as set forth in clause (A) below. In the event that any L/C Reimbursement Obligation is not repaid by the Borrowers as provided in this clause (v) (or any such payment by the Borrowers is rescinded or set aside for any reason), such L/C Issuer shall promptly notify Agent of such failure (and, upon receipt of such notice, Agent shall forward a copy to each Revolving Lender) and, irrespective of whether such notice is given, such L/C Reimbursement Obligation shall be payable on demand by the Borrowers with interest thereon computed (A) from the date on which such L/C Reimbursement Obligation arose to the L/C Reimbursement Date, at the interest rate applicable during such period to Revolving Loans that are Base Rate Loans and (B) thereafter until payment in full, at the interest rate applicable during such period to past due Revolving Loans that are Base Rate Loans.

(vi) Reimbursement Obligations of the Revolving Lenders. Upon receipt of the notice described in clause (v) above from the Agent, each Revolving Lender shall pay to the Agent for the account of such L/C Issuer its Commitment Percentage of such L/C Reimbursement Obligation. By making such payment (other than during the continuation of an Event of Default under subsection 8.1(f) or 8.1(g)), such Lender shall be deemed to have made a Revolving Loan to the Borrowers, which, upon receipt thereof by such L/C Issuer, the Borrowers shall be deemed to have used in whole to repay such L/C Reimbursement Obligation. Any such payment that is not deemed a Revolving Loan shall be deemed a funding by such Lender of its participation in the applicable Letter of Credit and the related Letter of Credit Obligations. Such participation shall not otherwise be required to be funded. Upon receipt by any L/C Issuer of any payment from any Lender pursuant to this clause (vi) with respect to any portion of any L/C Reimbursement Obligation, such L/C Issuer shall promptly pay over to such Lender all payments received by such L/C Issuer after such payment by such Lender with respect to such portion.

(vii) Obligations Absolute. The obligations of the Borrowers and the Revolving Lenders pursuant to clauses (iv), (v) and (vi) above shall be absolute, unconditional and irrevocable and performed strictly in accordance with the terms of this Agreement irrespective of (A) (i) the invalidity or unenforceability of any term or provision in any Letter of Credit, any document transferring or purporting to transfer a Letter of Credit, any Loan Document (including the sufficiency of any such instrument), or any modification to any provision of any of the foregoing, (ii) any document presented under a Letter of Credit being forged, fraudulent, invalid, insufficient or inaccurate in any respect or failing to comply with the terms of such Letter of Credit or (iii) any loss or delay, including in the transmission of any document, (B) the existence of any setoff, claim, abatement, recoupment, defense or other right that any Person (including any Credit Party) may have against the beneficiary of any Letter of Credit or any other Person, whether in connection with any Loan Document or any other Contractual Obligation or transaction, or the existence of any other withholding, abatement or reduction, (C) in the case of the obligations of any Revolving Lender, (i) the failure of any condition precedent set forth in Section 3.2 to be satisfied (each of which conditions precedent the Revolving Lenders hereby irrevocably waive) or (ii) any adverse change in the condition (financial or otherwise) of any Credit Party and (D) any other act or omission to act or delay of any kind of L/C Issuer, Agent, any Lender or any other Person or any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this clause (vii), constitute a legal or equitable discharge of any obligation of the Borrowers or any Revolving Lender hereunder.

(d) Swing Loans.

(i) Availability. Subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties of the Credit Parties contained herein, the Swingline Lender may, in its sole discretion, make Loans (each a "**Swing Loan**") available to the Borrowers under the Revolving Loan Commitments from time to time on any Business Day during the period from the Closing Date through the Final Availability Date in an aggregate principal amount at any time outstanding not to exceed its Swingline Commitment; provided, however, that the Swingline Lender may not make any Swing Loan (x) to the extent that after giving effect to such Swing Loan, the aggregate principal amount of all Revolving Loans would exceed the Maximum Revolving Loan Balance and (y) during the period commencing on the first Business Day after it receives notice from Agent or the Required Revolving Lenders that one or more of the conditions precedent contained in Section 3.2 are not satisfied and ending when such conditions are satisfied or duly waived. In connection with the making of any Swing Loan, the Swingline Lender may but shall not be required to determine that, or take notice whether, the conditions precedent set forth in Section 3.2 have been satisfied or waived. Each Swing Loan shall be a Base Rate Loan and must be repaid as provided herein, but in any event must be repaid in full on the Revolving Termination Date. Within the limits set forth in the first sentence of this clause (i), amounts of Swing Loans repaid may be reborrowed under this clause (i).

(ii) Borrowing Procedures. In order to request a Swing Loan, Borrower Representative shall give to Agent a notice to be received not later than 2:00 p.m. on the day of the proposed Borrowing, which shall be made in a writing or in an Electronic Transmission substantially in the form of Exhibit 2.1(d) or in a writing in any other form acceptable to Agent duly completed (a "**Swingline Request**"). In addition, if any Notice of Borrowing of Revolving Loans requests a Borrowing of Base Rate Loans, the Swingline Lender may, notwithstanding anything else to the contrary herein, make a Swing Loan to the Borrowers in an aggregate amount not to exceed such proposed Borrowing, and the aggregate amount of the corresponding proposed Borrowing shall be reduced accordingly by the principal amount of such Swing Loan. Agent shall promptly notify the Swingline Lender of the details of the requested Swing Loan. Upon receipt of such notice and subject to the terms of this Agreement, the Swingline Lender may make a Swing Loan available to the Borrowers by making the proceeds thereof available to Agent and, in turn, Agent shall make such proceeds available to the Borrowers on the date set forth in the relevant Swingline Request or Notice of Borrowing.

(iii) Refinancing Swing Loans.

(A) The Swingline Lender may at any time (and shall no less frequently than once each week) forward a demand to Agent (which Agent shall, upon receipt, forward to each Revolving Lender) that each Revolving Lender pay to Agent, for the account of the Swingline Lender, such Revolving Lender's Commitment Percentage of the outstanding Swing Loans (as such amount may be increased pursuant to Section 2.11(e)(ii)).

(B) Each Revolving Lender shall pay the amount owing by it to Agent for the account of the Swingline Lender on the Business Day following receipt of the notice or demand therefor. Payments received by Agent after 1:00 p.m. may, in Agent's discretion, be deemed to be received on the next Business Day. Upon receipt by Agent of such payment (other than during the continuation of any Event of Default under Section 8.1(f) or 8.1(g)), such Revolving Lender shall be deemed to have made a Revolving Loan to the Borrowers, which, upon receipt of such payment by the Swingline Lender from Agent,

the Borrowers shall be deemed to have used in whole to refinance such Swing Loan. In addition, regardless of whether any such demand is made, upon the occurrence of any Event of Default under Section 8.1(f) or 8.1(g), each Revolving Lender shall be deemed to have acquired, without recourse or warranty, an undivided interest and participation in each Swing Loan in an amount equal to such Lender's Commitment Percentage of such Swing Loan. If any payment made by any Revolving Lender as a result of any such demand is not deemed a Revolving Loan, such payment shall be deemed a funding by such Lender of such participation. Such participation shall not be otherwise required to be funded. Upon receipt by the Swingline Lender of any payment from any Revolving Lender pursuant to this clause (iii) with respect to any portion of any Swing Loan, the Swingline Lender shall promptly pay over to such Revolving Lender all payments of principal (to the extent received after such payment by such Lender) and interest (to the extent accrued with respect to periods after such payment) on account of such Swing Loan received by the Swingline Lender with respect to such portion.

(iv) Obligation to Fund Absolute. Each Revolving Lender's obligations pursuant to clause (iii) above 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, including (A) the existence of any setoff, claim, abatement, recoupment, defense or other right that such Lender, any Affiliate thereof or any other Person may have against the Swingline Lender, Agent, any other Lender or L/C Issuer or any other Person, (B) the failure of any condition precedent set forth in Section 3.2 to be satisfied or the failure of Borrower Representative to deliver a Notice of Borrowing (each of which requirements the Revolving Lenders hereby irrevocably waive) and (C) any adverse change in the condition (financial or otherwise) of any Credit Party.

2.2 Notes.

(a) The Term Loans made by any Lender are evidenced by this Agreement and, if requested by such Lender, a Note payable to such Lender in an amount equal to the unpaid balance of the Term Loans held by such Lender.

(b) The Revolving Loans made by each Revolving Lender and Swing Loans made by the Swingline Lender shall be evidenced by this Agreement and, if requested by such Lender or Swingline Lender, a Revolving Note or Swingline Note, as applicable, payable to the order of such Lender or Swingline Lender in an amount equal to such Lender's Commitment or the Swingline Commitment, as applicable.

2.3 Interest.

(a) Subject to subsections 2.3(c) and 2.3(d), each Loan shall bear interest on the outstanding principal amount thereof from the date when made, and all interest which is not paid when due shall bear interest, at a rate per annum equal to the LIBOR or the Base Rate, as the case may be, plus the Applicable Margin; provided however Swing Loans shall be Base Rate Loans. Each determination of an interest rate by Agent shall be conclusive and binding on each Borrower and the Lenders in the absence of demonstrable error. All computations of fees and interest (other than interest accruing on Base Rate Loans) payable under this Agreement shall be made on the basis of a 360-day year and actual days elapsed. All computations of interest accruing on Base Rate Loans payable under this Agreement shall be made on the basis of a 365-day year (366 days in the

case of a leap year) and actual days elapsed. Interest and fees shall accrue during each period during which interest or such fees are computed from the first day thereof to the last day thereof.

(b) Interest on each Loan shall be paid in arrears on each Interest Payment Date. Interest shall also be paid on the date of any payment or prepayment of Term Loans in full and Revolving Loans on the Revolving Termination Date.

(c) While any Event of Default under Section 8.1(a), 8.1(f) or 8.1(g) exists, the Borrowers shall pay interest on (i) the past due principal amount of all Loans outstanding in the case of an Event of Default under Section 8.1(a) and (ii) on the principal amount of all Loans outstanding (whether or not past due) and past due interest thereon, if any, in the case of an Event of Default under Section 8.1(f) or (g), from the date of occurrence of such Event of Default, at a rate per annum which is determined by adding two percent (2.0%) per annum to the Applicable Margin then in effect for such Loans (and, as to past due interest, the Applicable Margin applicable to the principal on which such interest accrued) (plus the LIBOR or Base Rate, as the case may be). All such interest shall be payable in cash on demand of Agent or the Required Lenders.

(d) Anything herein to the contrary notwithstanding, the obligations of the Borrowers hereunder shall be subject to the limitation that payments of interest shall not be required, for any period for which interest is computed hereunder, to the extent (but only to the extent) that contracting for or receiving such payment by the respective Lender would be contrary to the provisions of any law applicable to such Lender limiting the highest rate of interest which may be lawfully contracted for, charged or received by such Lender, and in such event the Borrowers shall pay such Lender interest at the highest rate permitted by applicable law ("**Maximum Lawful Rate**"); provided, however, that if at any time thereafter the rate of interest payable hereunder is less than the Maximum Lawful Rate, the Borrowers shall continue to pay interest hereunder at the Maximum Lawful Rate until such time as the total interest received by Agent, on behalf of Lenders, is equal to the total interest that would have been received had the interest payable hereunder been (but for the operation of this paragraph) the interest rate payable since the Initial Closing Date as otherwise provided in this Agreement.

2.4 Loan Accounts; Register.

(a) Agent, on behalf of the Lenders, shall record on its books and records the amount of each Loan made, the interest rate applicable, all payments of principal and interest thereon and the principal balance thereof from time to time outstanding. Agent shall deliver to Borrower Representative on a monthly basis a loan statement setting forth such record for the immediately preceding month. Such record shall, absent manifest error, be conclusive evidence of the amount of the Loans made by the Lenders to the Borrowers and the interest and payments thereon. Any failure to so record or any error in doing so, or any failure to deliver such loan statement shall not, however, limit or otherwise affect the obligation of the Borrowers hereunder (and under any Note) to pay any amount owing with respect to the Loans or provide the basis for any claim against Agent.

(b) Agent, acting as a non-fiduciary agent of the Borrowers solely for tax purposes and solely with respect to the actions described in this Section 2.4(b), shall establish and maintain at its address referred to in Section 10.2 (or at such other address as Agent may notify Borrower Representative) (A) a record of ownership (the "**Register**") in which Agent agrees to register by book entry the interests (including any rights to receive payment hereunder) of Agent, each Lender and each L/C Issuer in the Term Loans, Revolving Loans, Swing Loans, L/C Reimbursement Obligations and Letter of Credit Obligations, each of their obligations under this Agreement to participate in each Loan, Letter of Credit, Letter of Credit Obligations and L/C Reimbursement

Obligations, and any assignment of any such interest, obligation or right and (B) accounts in the Register in accordance with its usual practice in which it shall record (1) the names and addresses of the Lenders and the L/C Issuers (and each change thereto pursuant to Sections 10.9 and 10.22), (2) the Commitments of each Lender, (3) the amount of each Loan and each funding of any participation described in clause (A) above, and for LIBOR Rate Loans, the Interest Period applicable thereto, (4) the amount of any principal or interest due and payable or paid, (5) the amount of the L/C Reimbursement Obligations due and payable or paid in respect of Letters of Credit and (6) any other payment received by Agent from a Borrower and its application to the Obligations.

(c) Notwithstanding anything to the contrary contained in this Agreement, the Loans (including any Notes evidencing such Loans and, in the case of Revolving Loans, the corresponding obligations to participate in Letter of Credit Obligations and Swing Loans) and the L/C Reimbursement Obligations are registered obligations, the right, title and interest of the Lenders and the L/C Issuers and their assignees in and to such Loans or L/C Reimbursement Obligations, as the case may be, shall be transferable only upon notation of such transfer in the Register and no assignment thereof shall be effective until recorded therein. This Section 2.4 and Section 10.9 are intended to provide for a book entry system as defined in Treasury Regulations Section 5f. 103-1(c), shall be interpreted consistently therewith and shall be construed so that the Loans and L/C Reimbursement Obligations are at all times maintained in "registered form" within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code.

(d) The Credit Parties, Agent, the Lenders and the L/C Issuers shall treat each Person whose name is recorded in the Register as a Lender or L/C Issuer, as applicable, for all purposes of this Agreement. Information contained in the Register with respect to any Lender or any L/C Issuer shall be available for access by the Borrowers, Borrower Representative, Agent, such Lender or such L/C Issuer at any reasonable time and from time to time upon reasonable prior notice. No Lender or L/C Issuer shall, in such capacity, have access to or be otherwise permitted to review any information in the Register other than information with respect to such Lender or L/C Issuer unless otherwise agreed by the Agent.

2.5 Procedure for Initial Term Loan and Revolving Credit Borrowing.

(a) The Borrowing of the Initial Term Loan shall be made upon Borrower Representative's irrevocable (subject to Section 11.4 hereof) written notice delivered to the Agent in the form of a Notice of Borrowing, which notice must be received by the Agent prior to 1:00 p.m. (1) on the Closing Date if the Initial Term Loan will be funded as a Base Rate Loan and (2) on the day which is three (3) Business Days prior to the Closing Date in the case of each LIBOR Rate Loan. Such Notice of Borrowing shall specify:

(i) the requested Closing Date, which shall be a Business Day;

(ii) whether the Initial Term Loan is to be funded as a LIBOR Rate Loan or Base Rate Loan; and

(iii) if the Borrowing is to be a LIBOR Rate Loan, the Interest Period applicable thereto.

(b) Each Borrowing of a Revolving Loan shall be made upon Borrower Representative's irrevocable (subject to Section 11.4 hereof) written notice delivered to the Agent in the form of a Notice of Borrowing, which notice must be received by the Agent prior to 1:00 p.m. (1) on the requested Borrowing date in the case of each Base Rate Loan and (2) on the day which is

three (3) Business Days prior to the requested Borrowing date in the case of each LIBOR Rate Loan. Such Notice of Borrowing shall specify:

(i) the amount of the Borrowing (which shall be in an aggregate minimum principal amount of $100,000 and multiples of $50,000 in excess thereof);

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

(iii) whether the Borrowing is to be comprised of LIBOR Rate Loans or Base Rate Loans; and

(iv) if the Borrowing is to be LIBOR Rate Loans, the Interest Period applicable to such Loans.

(c) Upon receipt of a Notice of Borrowing, Agent will promptly notify each applicable Lender of such Notice of Borrowing and of the amount of such Lender's Commitment Percentage of the Borrowing.

(d) Unless Agent is otherwise directed in writing by Borrower Representative, the proceeds of each requested Borrowing after the Closing Date will be made available to the Borrowers by Agent by wire transfer of such amount to the Borrowers pursuant to the wire transfer instructions specified on the signature page hereto or otherwise designated in writing by the Agent to Borrower Representative from time to time.

2.6 Conversion and Continuation Elections.

(a) The Borrowers shall have the option to (i) request that any Revolving Loan (other than Swing Loans) be made as a LIBOR Rate Loan, (ii) convert at any time all or any part of outstanding Loans (other than Swing Loans) from Base Rate Loans to LIBOR Rate Loans, (iii) convert any LIBOR Rate Loan to a Base Rate Loan, subject to Section 11.4 if such conversion is made prior to the expiration of the Interest Period applicable thereto, or (iv) continue all or any portion of any Loan as a LIBOR Rate Loan upon the expiration of the applicable Interest Period. Any Loan or group of Loans having the same proposed Interest Period to be made or continued as, or converted into, a LIBOR Rate Loan must be in a minimum amount of $1,000,000 and integral multiples of $500,000 in excess of such amount. . Any such election must be made by Borrower Representative by 1:00 p.m. on the 3rd Business Day prior to (1) the date of any proposed Revolving Loan which is to bear interest at LIBOR, (2) the end of each Interest Period with respect to any LIBOR Rate Loans to be continued as such, or (3) the date on which Borrowers wish to convert any Base Rate Loan to a LIBOR Rate Loan for an Interest Period designated by Borrower Representative in such election. If no election is received with respect to a LIBOR Rate Loan by 1:00 p.m. on the 3rd Business Day prior to the end of the Interest Period with respect thereto, that LIBOR Rate Loan shall be converted to a Base Rate Loan at the end of its Interest Period. Borrower Representative must make such election by notice to Agent in writing, by fax or overnight courier (or by telephone, to be confirmed in writing on such day). In the case of any conversion or continuation, such election must be made pursuant to a written notice (a "**Notice of Conversion/Continuation**") in the form of Exhibit 2.6. No Loan shall be made, converted into or continued as a LIBOR Rate Loan, if (x) an Event of Default has occurred and is continuing and Agent or Required Lenders have determined not to make or continue any Loan as a LIBOR Rate Loan as a result thereof or (y) Agent is or Required Lenders are stayed by the Bankruptcy Code from making such determination.

(b) Upon receipt of a Notice of Conversion/Continuation, Agent will promptly notify each Lender thereof. In addition, Agent will, with reasonable promptness, notify Borrower Representative and the Lenders of each determination of LIBOR; provided that any failure to do so

shall not relieve any Borrower of any liability hereunder or provide the basis for any claim against Agent. All conversions and continuations shall be made pro rata according to the respective outstanding principal amounts of the Loans held by each Lender with respect to which the notice was given.

(c) Notwithstanding any other provision contained in this Agreement, after giving effect to any Borrowing, or to any continuation or conversion of any Loans, there shall not be more than seven (7) different Interest Periods in effect; provided that after the establishment of any new Class of Loans pursuant to an Extension or an Incremental Facility, such number of Interest Periods shall increase by two (2) Interest Periods for each such new Class of Loans so established.

2.7 Optional Prepayments.

(a) Optional Prepayments Generally. The Borrowers may at any time upon at least two (2) Business Days' (or such shorter period as is acceptable to Agent) prior written notice by Borrower Representative to Agent, prepay the Loans in whole or in part in an amount greater than or equal to $100,000 (other than Revolving Loans and Swing Loans for which prior written notice is not required and for which no minimum shall apply), in each instance, without penalty or premium except as provided in Section 11.4. Optional partial prepayments of Revolving Loans shall be applied in accordance with Section 2.10(a). Optional partial prepayments of Term Loans shall, subject to Section 2.10(a), be applied to scheduled installments thereof, if any, as specified by Borrower Representative in such notice of prepayment; provided that the same order of application shall apply to each Class of Term Loan and, in the absence of such direction, in the manner set forth in Section 2.8(f).

(b) Reductions in Revolving Loan Commitments. Borrower may at any time upon at least two (2) Business Days' (or such shorter period as is acceptable to Agent) prior written notice by Borrower to Agent permanently reduce the Aggregate Revolving Loan Commitment; provided that (i) such reductions shall be in an amount greater than or equal to $1,000,000, and (ii) after giving effect to such reduction, Availability shall be not less than $2,000,000. All reductions of the Aggregate Revolving Loan Commitment shall be allocated pro rata among all Lenders with a Revolving Loan Commitment. A permanent reduction of the Aggregate Revolving Loan Commitment shall not require a corresponding pro rata reduction in the L/C Sublimit or the Swingline Commitment; provided that the L/C Sublimit and/or the Swingline Commitment, as applicable, shall be permanently reduced by the amount thereof in excess of the Aggregate Revolving Loan Commitment.

(c) Notices. Notice of prepayment or commitment reduction pursuant to clauses (a) and (b) above shall not thereafter be revocable by Borrower (unless such notice expressly conditions such prepayment upon consummation of a transaction which is contemplated to result in prepayment of the Loans, in which event such notice may be revocable or conditioned upon such consummation) and Agent will promptly notify each Lender thereof and of such Lender's Commitment Percentage of such prepayment or reduction. The payment amount specified in a notice of prepayment shall be due and payable on the date specified therein. Together with each prepayment under this Section 2.7, the Borrowers shall pay any amounts required pursuant to Section 11.4.

2.8 Mandatory Prepayments of Loans and Commitment Reductions.

(a) Scheduled Term Loan Payments. The principal amount of the Term Loans shall be paid in installments on the dates and in the respective amounts shown below:

Date of Payment	Amount of Term Loan Payment
April 1, 2016	$468,750.00
July 1, 2016	$468,750.00
October 1, 2016	$468,750.00
January 1, 2017	$468,750.00
April 1, 2017	$937,500.00
July 1, 2017	$937,500.00
October 1, 2017	$937,500.00
January 1, 2018	$937,500.00
April 1, 2018	$937,500.00
July 1, 2018	$937,500.00
October 1, 2018	$937,500.00
January 1, 2019	$937,500.00
April 1, 2019	$937,500.00
July 1, 2019	$937,500.00
October 1, 2019	$937,500.00
January 1, 2020	$937,500.00
April 1, 2020	$1,406,250.00
July 1, 2020	$1,406,250.00
October 1, 2020	$1,406,250.00
January 1, 2021	$1,406,250.00
January 20, 2021	$56,250,000.00

Scheduled installments for any Incremental Term Loan or Extended Term Loan shall be as specified in the applicable amendment, Extension or joinder agreement. The final scheduled installment of each such Term Loan shall, in any event, be in an amount equal to the entire remaining principal balance of such Term Loan.

(b) Revolving Loan. The Borrowers shall repay to the Lenders in full on the date specified in clause (a) of the definition of "Revolving Termination Date" the aggregate principal amount of the Revolving Loans and Swing Loans outstanding on the Revolving Termination Date. Agent shall calculate, on the first Business Day of each month and more frequently in its sole discretion, the Dollar Equivalent of the Letter of Credit Obligations and Maximum Revolving Loan Balance. If after giving effect to such calculation and solely as a result of changes in the Spot Exchange Rate, the Dollar Equivalent of the outstanding principal balance of Revolving Loans exceeds the Maximum Revolving Loan Balance or the Dollar Equivalent of the Letter of Credit Obligations exceed the L/C Sublimit, then Borrowers shall, in either case, promptly (but in no event later than one (1) Business Day) prepay the Revolving Loans by the amount of such excess and/or cash collateralize Letter of Credit Obligations in amounts, on terms and conditions and with parties satisfactory to the Agent. Such prepayment shall be applied first to any Base Rate Loans then outstanding and then to outstanding LIBOR Rate Loans in order of the shortest Interest Periods remaining, and shall be accompanied by any amounts required pursuant to Section 11.4 hereof.

(c) Asset Dispositions; Events of Loss. If a Credit Party or any Subsidiary of a Credit Party shall at any time or from time to time:

(i) make a Disposition (other than Dispositions expressly permitted under Sections 6.2(a) or 6.2(c) through 6.2(h)); or

(ii) suffer an Event of Loss;

and the aggregate amount of the Net Proceeds received by the Borrowers and their Subsidiaries in connection with such Disposition or Event of Loss and all other Dispositions and Events of Loss occurring during the Fiscal Year exceeds $1,500,000, then (A) Borrower Representative shall promptly notify the Agent of such proposed Disposition or Event of Loss (including the amount of the estimated Net Proceeds to be received by a Borrower and/or such Subsidiary in respect thereof) and (B) promptly upon receipt by a Borrower and/or such Subsidiary of the Net Proceeds of such Disposition or Event of Loss, the Borrowers shall deliver, or cause to be delivered, an amount equal to such excess Net Proceeds to the Agent for distribution to the Lenders as a prepayment of the Loans, which prepayment shall be applied in accordance with subsection 2.8(f) hereof. Notwithstanding the foregoing and provided no Default or Event of Default has occurred and is continuing, such prepayment shall not be required to the extent a Borrower or such Subsidiary reinvests the Net Proceeds of such Disposition or Event of Loss in productive assets (other than Inventory) of a kind then used or usable in the business of a Borrower or such Subsidiary or uses such proceeds to fund all or part of a Permitted Acquisition, within three hundred sixty-five (365) days (or with respect to any Disposition permitted under Section 6.2(i), within one hundred eighty (180) days) after the date of such Disposition or Event of Loss, or enters into a binding commitment thereof within said three hundred sixty-five (365) day (or one hundred eighty (180) day, as applicable) period and subsequently makes such reinvestment or Permitted Acquisition; provided that Borrower Representative notifies Agent of such Borrower's or such Subsidiary's intent to reinvest or make such Permitted Acquisition and of the completion of such reinvestment or the making of such Permitted Acquisition at the time such proceeds are received and when such reinvestment or Permitted Acquisition occurs, respectively.

(d) Incurrence of Debt; Specified Equity Raises. Promptly upon the receipt (but in no event later than the Business Day immediately following such receipt) by any Credit Party or any Subsidiary of any Credit Party of a Specified Equity Raise or the Net Issuance Proceeds of the incurrence of Indebtedness (other than Net Issuance Proceeds from the incurrence of Indebtedness permitted hereunder), the Borrowers shall deliver, or cause to be delivered, to Agent an amount equal to such Specified Equity Raise or Net Issuance Proceeds, in each instance, for application to the Loans in accordance with subsection 2.8(f).

(e) Excess Cash Flow. Within five (5) days after the annual financial statements and corresponding Compliance Certificate are required to be delivered pursuant to Section 5.1 hereof, commencing with such annual financial statements for the Fiscal Year ending December 31, 2016, Borrower Representative shall deliver to Agent, for distribution to the Lenders, an amount equal to (i) (x) 50% of such Excess Cash Flow if the Leverage Ratio (as calculated in the manner set forth on Exhibit 5.2(b)) as of the last day of such Fiscal Year is 2.50:1.00 or greater, (y) 25% of such Excess Cash Flow if the Leverage Ratio as of the last day of such Fiscal Year is less than 2.50:1.00 but greater than or equal to 1.50:1.00 or (z) 0% of such Excess Cash Flow if the Leverage Ratio as of the last day of such Fiscal Year is less than 1.50:1.00 less (ii) the aggregate amount of voluntary prepayments of the Term Loans and voluntary prepayments of the Revolving Loans (to the extent accompanied by a permanent reduction in the Aggregate Revolving Loan Commitment) made during such Fiscal Year, for application to the Loans in accordance with the provisions of subsection 2.8(f) hereof. Excess Cash Flow shall be calculated in the manner set forth in the Compliance Certificate.

(f) Application of Certain Prepayments. Subject to Section 2.10 and except as may otherwise be set forth in any Extension Offer with respect to any Extended Term Loan, any prepayments pursuant to Section 2.8(c), 2.8(d) or 2.8(e) shall be applied first to prepay the next eight installments of each such Class of Term Loan, if any, in direct order of maturity and then to prepay all remaining installments thereof pro rata against all such scheduled installments based upon the respective amounts thereof, second to prepay outstanding Swing Loans, third to prepay outstanding Revolving Loans without permanent reduction of the Aggregate Revolving Loan Commitment, fourth to cash collateralize Letters of Credit in an amount determined in accordance with Section 8.4

and the remainder, if any, shall be for the account of and paid to whoever may be lawfully entitled thereto. Notwithstanding the foregoing, each Lender may reject all or a portion of its *pro rata* share of any mandatory prepayment (such declined amounts, the "**Declined Proceeds**") of any Class of Term Loans required to be made pursuant to clauses (c), (d) and (e) of this Section 2.8 by providing written notice (each, a "**Rejection Notice**") to Agent and Borrower no later than 5:00 p.m. one (1) Business Day after the date of such Lender's receipt of notice from Agent regarding such prepayment. Each Rejection Notice from a Lender shall specify the principal amount of the mandatory prepayment of Term Loans to be rejected by such Lender. If a Lender fails to deliver a Rejection Notice to Agent within the time frame specified above or such Rejection Notice fails to specify the principal amount of the Term Loans to be rejected, any such failure will be deemed an acceptance of the total amount of such mandatory prepayment of such Term Loans. Any Declined Proceeds may be retained by Borrower and will, if so retained by Borrower, constitute a portion of the Available Amount, to the extent provided in clause (x)(iv) of the definition of Available Amount. To the extent permitted by the foregoing sentence, amounts prepaid shall be applied first to any Base Rate Loans then outstanding and then to outstanding LIBOR Rate Loans with the shortest Interest Periods remaining. Together with each prepayment under this Section 2.8, the Borrowers shall pay any amounts required pursuant to Section 11.4 hereof.

(g) No Implied Consent. Provisions contained in this Section 2.8 for the application of proceeds of certain transactions shall not be deemed to constitute consent of the Lenders to transactions that are not otherwise permitted by the terms hereof or the other Loan Documents.

(h) Foreign Repatriation. Notwithstanding the foregoing, to the extent any or all of the Net Proceeds of any Disposition by, or Event of Loss of, a Foreign Subsidiary otherwise giving rise to a prepayment pursuant to Section 2.8(c) or Excess Cash Flow attributable to Foreign Subsidiaries, is prohibited or delayed by any applicable local Requirements of Law from being repatriated to the Borrower Representative or any of its Domestic Subsidiaries including through the repayment of intercompany Indebtedness (each, a "**Repatriation**"; with "**Repatriated**" having a correlative meaning), or if Repatriation of any such amount would reasonably be expected in the good faith determination of the Borrower Representative in consultation with the Agent to have material adverse Tax consequences with respect to Borrower Representative or its Subsidiaries, taking into account any earnings and profits of any applicable Foreign Subsidiary at any time during the year of such Repatriation and not taking into account any foreign Tax credit or benefit actually received in connection with such Repatriation or any net operating loss or other Tax asset of the Borrower Representative or its Subsidiaries, the portion of such Net Proceeds or Excess Cash Flow so affected (such amount, the "**Excluded Prepayment Amount**"), will not be required to be applied to prepay Loans at the times provided in this Section 2.8; provided, that if and to the extent any such Repatriation ceases to be prohibited or delayed by applicable local Requirements of Law at any time during the one (1) year period immediately following the date on which the applicable mandatory prepayment pursuant to Section 2.8 was required to be made, the Borrowers shall reasonably promptly deliver to the Agent an amount equal to such portion of the Excluded Prepayment Amount for distribution to the Lenders to be applied in accordance with Section 2.8(f). For the avoidance of doubt, the non-application of any Excluded Prepayment Amount pursuant to this Section 2.8(h) shall not constitute a Default or an Event of Default.

2.9 Fees.

(a) Fees. The Borrowers shall pay to Agent the fees set forth in the Fee Letters in the amounts and on the dates set forth therein which fees shall be fully earned and non-refundable when paid.

(b) Unused Commitment Fee. The Borrowers shall pay to Agent, for the ratable benefit of the Revolving Lenders, a fee (the "**Unused Commitment Fee**") in an amount equal to:

(i) the Aggregate Revolving Loan Commitment, less

(ii) the sum of (x) the average daily balance of all Revolving Loans outstanding plus (y) the average daily amount of Letter of Credit Obligations, in each case, during the preceding month,

multiplied by (0.50%) per annum. Such fee shall be payable quarterly in arrears on the last day of each calendar quarter following the Closing Date. The Unused Commitment Fee provided in this subsection 2.9(b) shall accrue at all times from and after the Closing Date.

(c) Letter of Credit Fee. The Borrowers agree to pay to Agent for the ratable benefit of the Revolving Lenders, as compensation to such Lenders for Letter of Credit Obligations incurred hereunder, (i) without duplication of costs and expenses otherwise payable to Agent or Lenders hereunder or fees otherwise paid by the Borrowers, all reasonable costs and expenses incurred by Agent or any Lender on account of such Letter of Credit Obligations, and (ii) for each calendar quarter during which any Letter of Credit Obligation shall remain outstanding, a fee (the "**Letter of Credit Fee**") in an amount equal to the product of the average daily undrawn face amount of all Letters of Credit Issued, guaranteed or supported by risk participation agreements multiplied by a per annum rate equal to the Applicable Margin with respect to Revolving Loans which are LIBOR Rate Loans. Such fee shall be paid to Agent for the benefit of the Revolving Lenders in arrears, on the last day of each calendar quarter and on the Revolving Termination Date. In addition, the Borrowers shall pay to Agent for the benefit of any L/C Issuer, on demand, such reasonable fees, without duplication of fees otherwise payable hereunder (including all per annum fees), charges and expenses of such L/C Issuer in respect of the Issuance, negotiation, acceptance, amendment, transfer and payment of such Letter of Credit or otherwise payable pursuant to the application and related documentation under which such Letter of Credit is Issued.

(d) All fees payable pursuant to this Section 2.9 shall be applied in accordance with Section 2.10(a).

2.10 Payments by the Borrowers.

(a) All payments (including prepayments) to be made by each Credit Party on account of principal, interest, fees and other amounts required hereunder shall be made without set off, recoupment, counterclaim or deduction of any kind, shall, except as otherwise expressly provided herein, be made to the Agent (for the ratable account of the Persons entitled thereto) at the address for payment specified in the signature page hereof in relation to the Agent (or such other address as the Agent may from time to time specify in accordance with Section 10.2), and shall be made in Dollars and in immediately available funds, no later than 2:00 p.m. on the date due. Any payment which is received by the Agent later than 2:00 p.m. shall be deemed to have been received on the immediately succeeding Business Day and any applicable interest or fee shall continue to accrue. Each Borrower and each other Credit Party hereby irrevocably waives the right to direct the application during the continuance of an Event of Default of any and all payments in respect of any Obligation and any proceeds of Collateral. Each Borrower hereby authorizes the Agent and each Lender to make a Revolving Loan (which shall be a Base Rate Loan and which may be a Swing Loan) to pay (i) interest, principal (including Swing Loans), L/C Reimbursement Obligations, fees payable under the Fee Letters, Unused Commitment Fees and Letter of Credit Fees, in each instance, on the date due, or (ii) after five (5) days' prior notice to Borrower Representative, other fees, costs

or expenses payable by a Borrower or any of its Subsidiaries hereunder or under the other Loan Documents.

(b) Subject to the provisions set forth in the definition of "Interest Period" herein, if any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation, and if applicable, payment, of interest or fees, as the case may be.

(c) (i) During the continuance of an Event of Default, the Agent shall, unless otherwise directed in writing by Required Lenders, apply any and all payments in respect of any Obligation in accordance with clauses first through sixth below. Notwithstanding any provision herein to the contrary, all amounts collected or received by the Agent after any or all of the Obligations have been accelerated (so long as such acceleration has not been rescinded) and all proceeds received by the Agent as a result of the exercise of its remedies under the Collateral Documents after the occurrence and during the continuance of an Event of Default shall be applied as follows:

first, to payment of costs and expenses, including Attorney Costs, of Agent payable or reimbursable by the Credit Parties under the Loan Documents;

second, to payment of Attorney Costs of Lenders payable or reimbursable by the Borrowers under this Agreement;

third, to payment of all accrued unpaid interest on the Obligations and fees owed to Agent, Lenders and L/C Issuers**;**

fourth, to payment of principal of the Obligations including, without limitation, L/C Reimbursement Obligations then due and payable, any Obligations under any Secured Rate Contract and cash collateralization of L/C Reimbursement Obligations to the extent not then due and payable;;

fifth, to payment of any other amounts owing constituting Obligations; and

sixth, any remainder shall be for the account of and paid to whoever may be lawfully entitled thereto.

In carrying out the foregoing, (i) amounts received shall be applied in the numerical order provided until exhausted prior to the application to the next succeeding category, (ii) each of the Lenders or other Persons entitled to payment shall receive an amount equal to its pro rata share of amounts available to be applied pursuant to clauses third, fourth and fifth above and (iii) no payments by a Guarantor and no proceeds of Collateral of a Guarantor shall be applied to Obligations the guaranty of which by such Guarantor constitute Excluded Rate Contract Obligations of such Guarantor.

2.11 Payments by the Lenders to Agent; Settlement.

(a) Agent may, on behalf of Lenders, disburse funds to the Borrowers for Loans requested. Each Lender shall reimburse Agent on demand for all funds disbursed on its behalf by Agent, or if Agent so requests, each Lender will remit to Agent its Commitment Percentage of any Loan before Agent disburses same to the Borrowers. If Agent elects to require that each Lender make funds available to Agent prior to disbursement by Agent to the Borrowers, Agent shall advise each Lender by telephone or fax of the amount of such Lender's Commitment Percentage of the Loan requested by Borrower

Representative no later than 1:00 p.m. on the scheduled Borrowing date applicable thereto, and each such Lender shall pay Agent such Lender's Commitment Percentage of such requested Loan, in same day funds, by wire transfer to Agent's account on such scheduled Borrowing date. If any Lender fails to pay its Commitment Percentage within one (1) Business Day after Agent's demand, Agent shall promptly notify Borrower Representative, and the Borrowers shall immediately repay such amount to Agent. Any repayment required pursuant to this subsection 2.11(a) shall be without premium or penalty. Nothing in this subsection 2.11(a) or elsewhere in this Agreement or the other Loan Documents, including the remaining provisions of Section 2.11, shall be deemed to require Agent to advance funds on behalf of any Lender or to relieve any Lender from its obligation to fulfill its Commitments hereunder or to prejudice any rights that Agent or Borrowers may have against any Lender as a result of any default by such Lender hereunder.

(b) At least once each calendar week or more frequently at Agent's election (each, a "**Settlement Date**"), Agent shall advise each Lender by telephone or fax of the amount of such Lender's Commitment Percentage of principal, interest and Fees paid for the benefit of Lenders with respect to each applicable Loan. Provided that each Lender has funded all payments required to be made by it and funded all purchases of participations required to be funded by it under this Agreement and the other Loan Documents as of such Settlement Date, Agent shall pay to each Lender such Lender's Commitment Percentage of principal, interest and fees paid by the Borrowers since the previous Settlement Date for the benefit of such Lender on the Loans held by it; provided, however, that in the case of any payment of principal received by Agent from Borrowers in respect of any Term Loan prior to 1:00 p.m. on any Business Day, Agent shall pay to each applicable Lender such Lender's Commitment Percentage of such payment on such Business Day, and, in the case of any payment of principal received by Agent from Borrowers in respect of any Term Loan later than 1:00 p.m. on any Business Day, Agent shall pay to each applicable Lender such Lender's Commitment Percentage of such payment on the next Business Day. Except as provided in the preceding proviso with respect to Term Loan payments, such payments shall be made by wire transfer to such Lender not later than 2:00 p.m. on the next Business Day following each Settlement Date.

(c) Availability of Lender's Commitment Percentage. Agent may assume that each Revolving Lender will make its Commitment Percentage of each Revolving Loan available to Agent on each Borrowing date. If such Commitment Percentage is not, in fact, paid to Agent by such Revolving Lender when due, Agent will be entitled to recover such amount on demand from such Revolving Lender without setoff, counterclaim or deduction of any kind. If any Revolving Lender fails to pay the amount of its Commitment Percentage forthwith upon Agent's demand, Agent shall promptly notify Borrower Representative and the Borrowers shall immediately repay such amount to Agent. Nothing in this subsection 2.11(c) or elsewhere in this Agreement or the other Loan Documents shall be deemed to require Agent to advance funds on behalf of any Revolving Lender or to relieve any Revolving Lender from its obligation to fulfill its Commitments hereunder or to prejudice any rights that the Borrowers may have against any Revolving Lender as a result of any default by such Revolving Lender hereunder. To the extent that Agent advances funds to the Borrowers on behalf of any Revolving Lender and is not reimbursed therefor on the same Business Day as such advance is made, Agent shall be entitled to retain for its account all interest accrued on such advance until reimbursed by the applicable Revolving Lender.

(d) Return of Payments.

(i) If Agent pays an amount to a Lender under this Agreement in the belief or expectation that a related payment has been or will be received by Agent from the Borrowers and such related payment is not received by Agent, then Agent will be entitled to recover such amount from such Lender on demand without setoff, counterclaim or deduction of any kind.

(ii) If Agent determines at any time that any amount received by Agent under this Agreement or any other Loan Document must be returned to any Credit Party or paid to

any other Person pursuant to any insolvency law or otherwise, then, notwithstanding any other term or condition of this Agreement or any other Loan Document, Agent will not be required to distribute any portion thereof to any Lender. In addition, each Lender will repay to Agent on demand any portion of such amount that Agent has distributed to such Lender, together with interest at such rate, if any, as Agent is required to pay to any Borrower or such other Person, without setoff, counterclaim or deduction of any kind.

(e) Non-Funding Lenders.

(i) Responsibility. The failure of any Non-Funding Lender to make any Revolving Loan or any payment required by it hereunder, or to fund any purchase of any participation to be made or funded by it (including, without limitation, with respect to any Letter of Credit or Swing Loan) on the date specified therefor shall not relieve any other Lender of its obligations to make such loan or fund the purchase of any such participation or make any other such required payment on such date, and neither Agent not, other than expressly set forth herein, any other Lender shall be responsible for the failure of any Non-Funding Lender to make a loan, fund the purchase of a participation or make any other payment required hereunder or any other Loan Document. Notwithstanding anything set forth herein to the contrary, a Non-Funding Lender shall not have any voting or consent rights under or with respect to any Loan Document or constitute a "Lender" or a "Revolving Lender" (or be included in the calculation of "Required Lenders" or "Required Revolving Lenders" hereunder) for any voting or consent rights under or with respect to any Loan Document.

(ii) Reallocation. If any Revolving Lender is a Non-Funding Lender, all or a portion of such Non-Funding Lender's Letter of Credit Obligations (unless such Lender is the L/C Issuer that Issued such Letter of Credit) and reimbursement obligations with respect to Swing Loans shall, at Agent's election at any time or upon any L/C Issuer's or Swingline Lender's, as applicable, written request delivered to Agent (whether before or after the occurrence of any Default or Event of Default), be reallocated to and assumed by the Revolving Lenders that are not Non-Funding Lenders or Impacted Lenders pro rata in accordance with their Commitment Percentages of the Aggregate Revolving Loan Commitment (calculated as if the Non-Funding Lender's Commitment Percentage was reduced to zero and each other Revolving Lender's Commitment Percentage had been increased proportionately), provided that no Revolving Lender shall be reallocated any such amounts or be required to fund any amounts that would cause the sum of its outstanding Revolving Loans, outstanding Letter of Credit Obligations, amounts of its participations in Swing Loans and its pro rata share of unparticipated amounts in Swing Loans to exceed its Revolving Loan Commitment.

(iii) Voting Rights. Notwithstanding anything set forth herein to the contrary, including Section 10.1, a Non-Funding Lender (other than a Non-Funding Lender who only holds fully funded Term Loans) shall not have any voting or consent rights under or with respect to any Loan Document or constitute a "Lender" or a "Revolving Lender" (or be, or have its Loans and Commitments, included in the determination of "Required Lenders", "Required Revolving Lenders" or "Lenders directly affected" pursuant to Section 10.1) for any voting or consent rights under or with respect to any Loan Document, provided that (A) the Commitment of a Non-Funding Lender may not be increased, extended or reinstated, (B) the principal of a Non-Funding Lender's Loans may not be reduced or forgiven, and (C) the interest rate applicable to Obligations owing to a Non-Funding Lender may not be reduced in such a manner that by its terms affects such Non-Funding Lender more adversely than

other Lenders, in each case, without the consent of such Non-Funding Lender. Moreover, for the purposes of determining Required Lenders and Required Revolving Lenders, the Loans, Letter of Credit Obligations, and Commitments held by Non-Funding Lenders shall be excluded from the total Loans and Commitments outstanding.

(iv) Borrower Payments to a Non-Funding Lender. Agent shall be authorized to use all payments received by Agent for the benefit of any Non-Funding Lender pursuant to this Agreement to pay in full the Aggregate Excess Funding Amount to the appropriate Secured Parties. Agent shall be entitled to hold as cash collateral in a non-interest bearing account up to an amount equal to such Non-Funding Lender's pro rata share, without giving effect to any reallocation pursuant to subsection 2.11(e)(ii), of all Letter of Credit Obligations until the Facility Termination Date. Upon any such unfunded obligations owing by a Non-Funding Lender becoming due and payable, Agent shall be authorized to use such cash collateral to make such payment on behalf of such Non-Funding Lender. With respect to such Non-Funding Lender's failure to fund Revolving Loans or purchase participations in Letters of Credit or Letter of Credit Obligations, any amounts applied by Agent to satisfy such funding shortfalls shall be deemed to constitute a Revolving Loan or amount of the participation required to be funded and, if necessary to effectuate the foregoing, the other Revolving Lenders shall be deemed to have sold, and such Non-Funding Lender shall be deemed to have purchased, Revolving Loans or Letter of Credit participation interests from the other Revolving Lenders until such time as the aggregate amount of the Revolving Loans and participations in Letters of Credit and Letter of Credit Obligations are held by the Revolving Lenders in accordance with their Commitment Percentages of the Aggregate Revolving Loan Commitment. Any amounts owing by a Non-Funding Lender to Agent which are not paid when due shall accrue interest at the interest rate applicable during such period to Revolving Loans that are Base Rate Loans. In the event that Agent is holding cash collateral of a Non-Funding Lender that cures pursuant to clause (v) below or ceases to be a Non-Funding Lender pursuant to the definition of Non-Funding Lender, Agent shall return the unused portion of such cash collateral to such Lender. The "**Aggregate Excess Funding Amount**" of a Non-Funding Lender shall be the aggregate amount of (A) all unpaid obligations owing by such Lender to Agent, L/C Issuers, Swingline Lender, and other Lenders under the Loan Documents, including such Lender's pro rata share of all Revolving Loans, Letter of Credit Obligations and Swing Loans, plus, without duplication, (B) all amounts of such Non-Funding Lender's Letter of Credit Obligations and reimbursement obligations with respect to Swing Loans reallocated to other Lenders pursuant to subsection 2.11(e)(ii).

(v) Cure. A Lender may cure its status as a Non-Funding Lender under clause (a) of the definition of Non-Funding Lender if such (A) Lender fully pays to Agent, on behalf of the applicable Secured Parties, the Aggregate Excess Funding Amount, plus all interest due thereon. Any such cure shall not relieve any Lender from liability for breaching its contractual obligations hereunder and (B) timely funds the next Revolving Loan required to be funded by such Lender or makes the next reimbursement required to be made by such Lender.

(vi) Fees. A Lender that is a Non-Funding Lender pursuant to clause (a) of the definition of Non-Funding Lender shall not earn and shall not be entitled to receive, and the Borrowers shall not be required to pay, such Lender's portion of the Unused Commitment Fee during the time such Lender is a Non-Funding Lender pursuant to clause (a) thereof. In the event that any reallocation of Letter of Credit Obligations occurs pursuant to subsection 2.11(e)(ii), during the period of time that such reallocation remains in effect, the Letter of

Credit Fee payable with respect to such reallocated portion shall be payable to (A) all Revolving Lenders based on their pro rata share of such reallocation or (B) to the L/C Issuer for any remaining portion not reallocated to any other Revolving Lenders.

(f) Procedures. Agent is hereby authorized by each Credit Party and each other Secured Party to establish procedures (and to amend such procedures from time to time) to facilitate administration and servicing of the Loans and other matters incidental thereto. Without limiting the generality of the foregoing, Agent is hereby authorized to establish procedures to make available or deliver, or to accept, notices, documents and similar items on, by posting to or submitting and/or completion on, E-Systems. The posting, completion and/or submission by any Credit Party of any communication pursuant to an E System shall constitute a representation and warranty by the Credit Parties that any representation, warranty, certification or other similar statement required by the Loan Documents to be provided, given or made by a Credit Party in connection with any such communication is true, correct and complete except as expressly noted in such communication or E-System.

(g) Cashless Settlement. Notwithstanding anything to the contrary contained in this Agreement, any Lender may exchange, continue or rollover all or a portion of its Loans or Commitments in connection with any refinancing, extension, loan modification or similar transaction permitted by the terms of this Agreement, pursuant to a cashless settlement mechanism approved by the Borrowers, Agent and such Lender.

2.12 Borrower Representative. Each Borrower hereby designates and appoints CryoLife as its representative and agent on its behalf (the "**Borrower Representative**") for the purposes of issuing Notices of Borrowings, Notices of Conversion/Continuation, L/C Requests and Swingline Requests, delivering certificates including Compliance Certificates, giving instructions with respect to the disbursement of the proceeds of the Loans, selecting interest rate options, giving and receiving all other notices and consents hereunder or under any of the other Loan Documents and taking all other actions (including in respect of compliance with covenants) on behalf of any Borrower or Borrowers under the Loan Documents. Borrower Representative hereby accepts such appointment. Agent and each Lender may regard any notice or other communication pursuant to any Loan Document from Borrower Representative as a notice or communication from all Borrowers. Each warranty, covenant, agreement and undertaking made on behalf of a Borrower by Borrower Representative shall be deemed for all purposes to have been made by such Borrower and shall be binding upon and enforceable against such Borrower to the same extent as if the same had been made directly by such Borrower.

2.13 Incremental Facilities.

(a) Requests. The Borrowers may, by written notice of Borrower Representative to Agent (each, an "**Incremental Facility Request**"), request increases in the Term Loans or additional term loan facilities (each, an "**Incremental Term Loan Commitment**" and the term loans thereunder, an "**Incremental Term Loan**") and/or increases in the Revolving Loan Commitments (each, an "**Incremental Revolving Loan Commitment**" and the loans thereunder, "**Incremental Revolving Loans**"; each Incremental Term Loan Commitment and each Incremental Revolving Loan Commitment are each sometimes referred to herein individually as an "**Incremental Facility**" and collectively as the "**Incremental Facilities**") in Dollars in an unlimited amount from any Eligible Assignee; provided that no commitment of any Lender shall be increased without the consent of such Lender. Such notice shall set forth (A) the amount of the Incremental Term Loan Commitment or Incremental Revolving Loan Commitment being requested, (B) the date (an "**Incremental Effective Date**") on which such Incremental Facility is requested to become effective (which, unless otherwise agreed by Agent, shall not be less than 10 Business Days after the date of such notice), and (C) if an Incremental Term Loan Commitment, whether the related Incremental Term Loan is to be a LIBOR Rate Loan or a Base Rate Loan (and, if a LIBOR Rate Loan, the Interest Period therefor).

(b) Conditions. No Incremental Facility shall become effective under this Section 2.13 unless, after giving effect to such Incremental Facility, the Loans to be made thereunder (and assuming that the entire amount of such Incremental Facility is funded), and the application of the proceeds therefrom:

(i) no Default or Event of Default shall exist at the time of funding; provided, that solely with respect to an Incremental Term Loan the proceeds of which are intended to and shall be used to finance substantially contemporaneously a Permitted Acquisition, the Persons providing such Incremental Term Loan may agree to a "Funds Certain Provision" that does not impose as a condition to funding thereof that no Default or Event of Default (other than a Default or Event of Default under Section 8.1(a), Section 8.1(f) or Section 8.1(g)) exists at the time such Permitted Acquisition is consummated;

(ii) as of the last day of the most recent Fiscal Quarter for which financial statements have been delivered (or were required to have been delivered) under Section 5.1, the Leverage Ratio recomputed on a pro forma basis shall not exceed (x) with respect to any Incremental Facility the proceeds of which are to be used solely to fund a Permitted Acquisition, the lesser of (A) 3.25:1.00 and (B) the maximum Leverage Ratio permitted under Section 7.1; and (y) with respect to any Incremental Facility the proceeds of which are to be used for any other permitted purpose under this Agreement, the lesser of (A) 2.75:1.00 and (B) the maximum Leverage Ratio permitted under Section 7.1; and

(iii) Agent shall have received a certificate of a Responsible Officer of Borrower Representative certifying as to the foregoing.

(c) Terms.

(i) The final maturity date of any Incremental Term Loan that is a separate Class shall be no earlier than the maturity date of the Initial Term Loans and the Weighted Average Life to Maturity of any such Incremental Term Loan shall not be shorter than the Weighted Average Life to Maturity of the Initial Term Loans.

(ii) If the initial all-in yield (including interest rate margins, any interest rate floors, original issue discount and upfront fees (based on the lesser of a four-year average life to maturity or the remaining life to maturity), but excluding reasonable and customary arrangement, structuring and underwriting fees with respect to such Incremental Term Loan) applicable to any Incremental Term Loan exceeds by more than 0.50% per annum the corresponding all-in yield (determined on the same basis) applicable to the Revolving Loans, the then outstanding Initial Term Loans or any outstanding prior Incremental Term Loan or Extended Term Loans, (each, an "**Existing Facility**" and the amount of such excess above 0.50% being referred to herein as the "**Yield Differential**"), then the Applicable Margin with respect to each Existing Facility, as the case may be, shall automatically be increased by the Yield Differential, effective upon the making of such Incremental Term Loan (it being agreed that to the extent the all-in-yield with respect to such Incremental Term Loan is greater than the all-in-yield of an Existing Facility solely as a result of a higher LIBOR floor, then the increased interest rate applicable to an Existing Facility shall be effected solely by increasing the LIBOR floor applicable thereto).

(iii) Except with respect to amortization, pricing and final maturity as set forth in this Section 2.3(c) or as otherwise approved by Agent, any Incremental Term Loan that is a separate Class shall be on terms consistent with the Initial Term Loans.

(iv) Any Incremental Revolving Loans shall be on the same terms (as amended from time to time) (including all-in pricing and maturity date) as, and pursuant to documentation applicable to, the initial Revolving Loans; provided, however, that the foregoing shall not prohibit the making of an Extension Offer in accordance with Section 10.1(f) concurrently with a request for Incremental Revolving Loan Commitments.

(d) Required Amendments. Each of the parties hereto hereby agrees that, upon the effectiveness of any Incremental Facility, this Agreement shall be amended to the extent (but only to the extent) necessary to reflect the existence of such Incremental Facility and the Loans evidenced thereby, and any joinder agreement or amendment (each an "Incremental Joinder Agreement") may without the consent of the other Lenders effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of Agent and Borrowers, to effect the provisions of this Section 2.13(d) (including any amendments that are made to effectuate changes necessary to enable any Incremental Term Loans that are intended to be of the same Class as the Initial Term Loans made on the Closing Date to be of the same Class as such Initial Term Loans, which shall include any amendments to Section 2.8(a) that do not reduce the ratable amortization received by each Lender thereunder. For the avoidance of doubt, this Section 2.13(d) shall supersede any provisions in Section 10.1. From and after each Incremental Effective Date, the Loans and Commitments established pursuant to this Section 2.13(d) shall constitute Loans and Commitments under, and shall be entitled to all the benefits afforded by, this Agreement and the other Loan Documents, and shall, without limiting the foregoing, benefit equally and ratably from the guarantees and security interests created by the applicable Collateral Documents. The Credit Parties shall take any actions reasonably required by Agent to ensure and/or demonstrate that the Liens and security interests granted by the applicable Collateral Documents continue to be perfected under the UCC or otherwise after giving effect to the establishment of any such new Loans and Commitments, including compliance with Section 5.13(c). Each of the parties hereto hereby agrees that Agent may, in consultation with Borrower Representative, take any and all action as may be reasonably necessary to ensure that all Incremental Term Loans which are not separate Classes, when originally made, are included in each Borrowing of outstanding Term Loans on a pro rata basis. This may be accomplished by requiring each outstanding Borrowing of Term Loans that are LIBOR Rate Loans to be converted into a Borrowing of Term Loans that are Base Rate Loans on the date of each such Incremental Term Loan, or by allocating a portion of each such Incremental Term Loan to each outstanding Borrowing of Term Loans that are LIBOR Rate Loans on a pro rata basis. Any conversion of LIBOR Rate Loans to Base Rate Loans required by the preceding sentence shall be subject to Section 11.4. If any Incremental Term Loan is to be allocated to an existing Interest Period for a Borrowing of LIBOR Rate Loans, then the interest rate thereon for such Interest Period shall be as set forth in the applicable Incremental Joinder Agreement. In addition the scheduled amortization payments under Section 2.8(a) required to be made after the making of any Incremental Term Loans which are not separate Classes shall be ratably increased by the aggregate principal amount of such Incremental Term Loans for all Lenders on a pro rata basis to the extent necessary to avoid any reduction in the amortization payments to which the Term Lenders were entitled before such recalculation. Each of the parties hereto hereby agrees that Agent may, in consultation with Borrower, take any and all action as may be reasonably necessary to ensure that, upon the effectiveness of each Incremental Revolving Loan Commitment, (i) Revolving Loans made under such Incremental Revolving Loan Commitment are included in each Borrowing of outstanding Revolving Loans on a pro rata basis and (ii) the Lender providing each Incremental Revolving Loan Commitment shares ratably in the aggregate principal amount of all outstanding Revolving Loans, Swing Loans and Letter of Credit Obligations.

ARTICLE III

CONDITIONS PRECEDENT

3.1 Conditions to Effectiveness. The obligation of each Lender to make its Loans on the Closing Date and of each L/C Issuer to Issue, or cause to be Issued, any Letters of Credit on the Closing Date is subject to satisfaction (or waiver in accordance with Section 10.1 hereof) of the following conditions, except to the extent permitted to be satisfied after the Closing Date pursuant to Section 5.14:

(a) Loan Documents. Agent shall have received on or before the Closing Date all of the agreements, documents, instruments and other items set forth on the Closing Checklist attached hereto as Exhibit 3.1, other than those that are specified in Schedule 5.14 as permitted to be delivered after the Closing Date, each in form and substance reasonably satisfactory to Agent. Notwithstanding the foregoing or any other provision in any Loan Documents to the contrary, to the extent a perfected security interest in any Collateral (the security interest in respect of which cannot be perfected by means of the filing of a UCC financing statement, the making of a federal intellectual property filing or delivery of possession of capital stock or other certificated security (with respect to the Stock of the Acquired Business, to the extent delivered under the Acquisition Agreement)) is not able to be provided on the Closing Date after Borrower Representative's use of commercially reasonable efforts to do so, the perfection of such security interest in such Collateral will not constitute a condition precedent to the availability of the initial Loans and Letters of Credit on the Closing Date;

(b) Related Transactions. The Related Transactions shall have closed (or will be closed concurrently with the funding of the Credit Facilities) in accordance with the Related Agreements (without any amendment, modification or waiver of such conditions or any of the other provisions thereof that would be materially adverse to the Lenders without the consent of Agent); provided that (i) a reduction in the purchase price under the Merger Agreement shall not be deemed to be materially adverse to the Lenders so long as such decrease shall be allocated (1) first, at the option of the Borrowers, to a reduction in the Equity Contribution until the Equity Contribution shall equal the Minimum Equity Contribution and (2) thereafter (A) to a reduction in any amounts to be funded under the Aggregate Term Loan Commitment and (B) to the Equity Contribution on a pro rata basis, (ii) any amendment or waiver to the terms of the Merger Agreement that has the effect of increasing the cash consideration required to be paid thereunder on the Closing Date shall not be deemed to be materially adverse to the Lenders if such increase is funded with an increase in the aggregate amount of the Equity Contribution, (iii) any purchase price adjustment expressly contemplated by the Merger Agreement (including any working capital purchase price adjustment) shall not be considered an amendment or waiver of the Merger Agreement and (iv) any change to the definition of "Company Material Adverse Effect" contained in the Merger Agreement shall be deemed to be materially adverse to the Lenders. Agent shall have received satisfactory evidence that the consideration paid by Borrower Representative for the Closing Date Acquisition included cash and common Stock of Borrower Representative (the "Equity Contribution") with an aggregate value of no less than $55,000,000 (the "Minimum Equity Contribution");

(c) Reserved.

(d) No Litigation. There shall not exist any order, injunction or decree of any Governmental Authority restraining or prohibiting the funding of the Loans hereunder.

(e) Material Adverse Effect. Since September 30, 2015, there shall not have occurred any Company Material Adverse Effect; and

(f) Representations and Warranties. The representations and warranties (i) of the Borrowers and the other Credit Parties contained in Sections 4.1(a)(i), 4.1(b) (solely as it relates to the Loan Documents), 4.2(a)(i), 4.2(a)(iii), 4.3 (solely with respect to the execution, delivery and performance of the Loan Documents), 4.4, 4.8, 4.13, 4.14 and 4.22 of this Agreement and Section 4.2 of the Guaranty and Security Agreement shall be true and correct in all material respects (without duplication of any materiality qualifier contained therein) and (ii) set forth in Articles III and IV of the Merger Agreement as are material to the interests of Agent and the Lenders shall be true and correct in all material respects (without duplication of any materiality qualifier contained therein) but only to the extent that Borrower Representative has the right to terminate its obligations under the Merger Agreement or to not consummate the Closing Date Acquisition as a result of the failure of such representations and warranties to be true and correct as set forth above.

For the purpose of determining satisfaction with the conditions specified in this Section 3.1, each Lender that has signed and delivered this Agreement shall be deemed to have accepted, and to be satisfied with, each document or other matter required under this Section 3.1 unless Agent shall have received written notice from such Lender prior to the Closing Date specifying its objection thereto.

3.2Conditions to Certain Borrowings. Except as otherwise expressly provided herein, no Lender or L/C Issuer shall be obligated to fund any Loan or incur any Letter of Credit Obligation, in each instance, after funding of the initial Loans on the Closing Date, if, as of the date thereof:

(a) any representation or warranty by any Credit Party contained herein or in any other Loan Document is untrue or incorrect in any material respect (without duplication of any materiality qualifier contained therein) as of such date, except to the extent that such representation or warranty expressly relates to an earlier date (in which event such representations and warranties were untrue or incorrect in any material respect (without duplication of any materiality qualifier contained therein) as of such earlier date), and (i) with respect to Revolving Loans or Issuances of Letters of Credit, Agent or Required Revolving Lenders have determined not to make such Loan or incur such Letter of Credit Obligation as a result of the fact that such representation or warranty is untrue or incorrect or (ii) with respect to Incremental Term Loans, the Persons providing such Incremental Term Loan have determined not to make such Incremental Term Loan as a result of the fact that such representation or warranty is untrue or incorrect unless, with respect to an Incremental Term Loan the proceeds of which are used to finance substantially contemporaneously a Permitted Acquisition, the Persons providing such Incremental Term Loan have agreed to not impose as a condition to funding thereof that such representations and warranties are true and correct at the time the Permitted Acquisition is consummated; or

(b) (i) with respect to Revolving Loans or Issuances of Letters of Credit, any Default or Event of Default has occurred and is continuing or would result after giving effect to any Loan (or the incurrence of any Letter of Credit Obligation), and Agent or Required Revolving Lenders shall have determined not to make such Revolving Loan or incur any Letter of Credit Obligation as a result of that Default or Event of Default or (ii) with respect to Incremental Term Loans, the conditions set forth in Section 2.13(b)(ii) shall not be or have been satisfied; or

(c) after giving effect to any Revolving Loan (or the incurrence of any Letter of Credit Obligations), the aggregate outstanding amount of the Revolving Loans would exceed the Maximum Revolving Loan Balance;

The request by Borrower Representative and acceptance by Borrowers of the proceeds of any Loan or the incurrence of any Letter of Credit Obligations shall be deemed to constitute, as of the date thereof, (i) a representation and warranty by Borrowers that (x) except with respect to Incremental Term Loans if and as applicable as provided in Section 3.2(a)(ii) above, each representation and warranty by any Credit Party

contained herein or in any other Loan Document is true and correct in all material respects (without duplication of any materiality qualifier contained therein) as of such date, except to the extent that such representation or warranty expressly relates to an earlier date (in which event such representations and warranties were true and correct in all material respects (without duplication of any materiality qualifier contained therein) as of such earlier date) and (y) the conditions in this Section 3.2 (without regard to any determination or agreement made or to be made by Agent, Required Revolving Lenders or providers of any Incremental Term Loan under Section 3.2(a)(i) or Section 3.2(a)(ii)) have been satisfied and (ii) a reaffirmation by each Credit Party of the granting and continuance of Agent's Liens, on behalf of itself and the Secured Parties, pursuant to the Collateral Documents.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

The Credit Parties, jointly and severally, represent and warrant to Agent and each Lender that the following are, and after giving effect to the Related Transactions will be, true, correct and complete:

4.1 Corporate Existence and Power. Each Credit Party and each of their respective Subsidiaries:

(a) is a corporation, limited liability company or limited partnership, as applicable, (i) duly organized and validly existing and (ii) in good standing, in each case under the laws of the jurisdiction of its incorporation, organization or formation, as applicable;

(b) has the power and authority and all governmental licenses, authorizations, Permits, consents and approvals to (i) own its assets and carry on its business and (ii) execute, deliver, and perform its obligations under the Loan Documents to which it is a party;

(c) is duly qualified as a foreign corporation, limited liability company or limited partnership, as applicable, and licensed and in good standing, under the laws of each jurisdiction where its ownership, lease or operation of Property or the conduct of its business requires such qualification or license; and

(d) is in compliance with all Requirements of Law;

except, in each case referred to in clause (a)(ii), (b)(i), (c) or clause (d), to the extent that the failure to do so would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

4.2 Corporate Authorization; No Contravention.

(a) The execution, delivery and performance by each of the Credit Parties of this Agreement and by each of the Credit Parties and each of their respective Subsidiaries of any other Loan Document to which such Person is party, have been duly authorized by all necessary action, and do not and will not:

(i) contravene the terms of any of that Person's Organization Documents;

(ii) conflict with or result in any material breach or contravention of, or result in the creation of any Lien under, any document evidencing any material Contractual Obligation to which such Person is a party or any order, injunction, writ or decree of any Governmental Authority to which such Person or its Property is subject; or

(iii) violate any material Requirement of Law in any material respect.

(b) As of the Closing Date, Schedule 4.2 of the Disclosure Letter sets forth the authorized Stock and Stock Equivalents of each of the Credit Parties and each of their respective Subsidiaries. All issued and outstanding Stock and Stock Equivalents of each of the Credit Parties and each of their respective Subsidiaries are duly authorized and validly issued, fully paid, non-assessable (other than Stock in limited liability companies and partnerships), and free and clear of all Liens other than Permitted Liens. All such securities were issued in compliance with all applicable state and federal laws concerning the issuance of securities. As of the Closing Date, all of the issued and outstanding Stock and Stock Equivalents of the other Subsidiaries of CryoLife is owned by the Persons and in the amounts set forth on Schedule 4.2 of the Disclosure Letter. Except as set forth on Schedule 4.2 of the Disclosure Letter, as of the Closing Date there are no pre-emptive or other outstanding rights, options, warrants, conversion rights or other similar agreements or understandings for the purchase or acquisition of any Stock and Stock Equivalents of any Credit Party.

4.3 Governmental Authorization. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority is necessary or required in connection with the execution of, delivery or performance by, or enforcement against any Credit Party of, this Agreement or any other Loan Document except (a) for recordings and filings in connection with the Liens granted to Agent under the Collateral Documents and (b) those obtained or made on or prior to the Closing Date.

4.4 Binding Effect. This Agreement and each other Loan Document to which any Credit Party or any Subsidiary of any Credit Party is a party constitute the legal, valid and binding obligations of each such Person which is a party thereto, enforceable against such Person in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability.

4.5 Litigation. Except as specifically disclosed in Schedule 4.5 of the Disclosure Letter, there are no actions, suits, proceedings, claims or disputes pending, or to the best knowledge of each Credit Party, threatened in writing, at law, in equity, in arbitration or before any Governmental Authority, against any Credit Party, any Subsidiary of any Credit Party or any of their respective Properties which:

(a) purport to affect or pertain to this Agreement, any other Loan Document or any of the transactions contemplated hereby or thereby; or

(b) would reasonably be expected to result in equitable relief or monetary judgment(s), individually or in the aggregate, having a Material Adverse Effect.

No injunction, writ, temporary restraining order or any order of any nature has been issued by any court or other Governmental Authority purporting to enjoin or restrain the execution, delivery or performance of this Agreement or any other Loan Document, or directing that the transactions provided for herein or therein not be consummated as herein or therein provided. Except as specifically disclosed in Schedule 4.5 of the Disclosure Letter, as of the Closing Date, no Credit Party or any Subsidiary of any Credit Party is the subject of an audit by the IRS or other Governmental Authority or, to each Credit Party's knowledge, any review or investigation by the IRS or other Governmental Authority concerning the violation or possible violation of any Requirement of Law.

4.6 No Default. No Default or Event of Default exists or would result from the incurring of any Obligations by any Credit Party or the grant or perfection of Agent's Liens on the Collateral. No Credit Party and no Subsidiary of any Credit Party is in default under or with respect to any Contractual Obligation in any respect which, individually or together with all such defaults, would reasonably be expected to have a Material Adverse Effect.

4.7 ERISA Compliance. Schedule 4.7 of the Disclosure Letter sets forth, as of the Closing Date, a complete and correct list of, and that separately identifies, (a) all Title IV Plans, (b) all Multiemployer Plans and (c) all material Benefit Plans. To the knowledge of the Credit Parties, each Benefit Plan, and each trust thereunder, intended to qualify for tax exempt status under Section 401 or 501 of the Code or other Requirements of Law so qualifies. Except for any of the following that would not, in the aggregate, have a Material Adverse Effect, (x) each Benefit Plan is in compliance with applicable provisions of ERISA, the Code and other Requirements of Law, (y) there are no existing or pending (or to the knowledge of any Credit Party, threatened) claims (other than routine claims for benefits in the normal course), sanctions, actions, lawsuits or other proceedings or investigation involving any Benefit Plan to which any Credit Party incurs any obligation or any Liability or otherwise has or could have an obligation or any Liability and (z) no ERISA Event is reasonably expected to occur. On the Closing Date, no ERISA Event has occurred in connection with which obligations and liabilities (contingent or otherwise) remain outstanding. On the Closing Date, no ERISA Affiliate would have any Withdrawal Liability as a result of a complete withdrawal from any Multiemployer Plan on the date this representation is made.

4.8 Use of Proceeds; Margin Regulations. The proceeds of the Loans are intended to be and shall be used solely for the purposes set forth in and permitted by Section 5.10, and are intended to be and shall be used in compliance with Section 6.8. No Credit Party and no Subsidiary of any Credit Party is engaged in the business of purchasing or selling Margin Stock or extending credit for the purpose of purchasing or carrying Margin Stock. Proceeds of the Loans shall not be used for the purpose of purchasing or carrying Margin Stock.

4.9 Title to Properties. Each of the Credit Parties and each of their respective Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, all Real Estate, and good and valid title to all owned personal property and valid leasehold interests in all leased personal property, in each instance, necessary or used in the ordinary conduct of their respective businesses. The Property of the Credit Parties and its Subsidiaries is subject to no Liens, other than Permitted Liens. As of the Closing Date, none of the Credit Parties or their Subsidiaries own any Real Estate in fee simple.

4.10Taxes. All (a) U.S. federal and state income Tax returns, reports and statements and (b) all other material Tax returns, reports and statements (such returns, reports and statements described in clauses (a) and (b) above collectively, the "**Tax Returns**") required to be filed by any Tax Affiliate have been filed with the appropriate Governmental Authorities in all jurisdictions in which such Tax Returns are required to be filed, all such Tax Returns are true and correct in all material respects, and all Taxes reflected therein or otherwise due and payable have been paid prior to the date on which any Liability may be added thereto for non-payment thereof except for those contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves are maintained on the books of the appropriate Tax Affiliate in accordance with GAAP. As of the Closing Date, except as set forth on Schedule 4.10 of the Disclosure Letter no Tax Return is under audit or examination by any Governmental Authority and no written notice of such an audit or examination or any written assertion of any claim for Taxes has been given or made by any Governmental Authority. Proper and accurate amounts have been withheld by each Tax Affiliate from payments to their respective employees for all periods in full and complete compliance in all material respects with the tax, social security and unemployment withholding provisions of applicable Requirements of Law and such withholdings have been timely paid to the respective Governmental Authorities. No Tax Affiliate has participated in a "reportable transaction" within the meaning of Treasury Regulation Section 1.6011-4(b) or has been a member of an affiliated, combined or unitary group other than the group of which a Tax Affiliate is the common parent.

4.11 Financial Condition.

(a) Each of the audited consolidated balance sheets of Borrowers and their Subsidiaries dated December 31, 2012, December 31, 2013, and December 31, 2014 and the related consolidated statements of income or operations, shareholders' equity and cash flows for the Fiscal Years ended on such dates:

(x) were prepared in accordance with GAAP consistently applied throughout the respective periods covered thereby, except as otherwise expressly noted therein, subject to, in the case of the unaudited interim financial statements, normal year-end adjustments and the lack of footnote disclosures; and

(y) present fairly in all material respects the consolidated financial condition of the Borrowers and their Subsidiaries as of the dates thereof and results of operations for the periods covered thereby.

(b) Since December 31, 2014, there has been no Material Adverse Effect.

(c) The Credit Parties and their Subsidiaries have no Indebtedness other than Indebtedness permitted pursuant to Section 6.5 and have no Contingent Obligations other than Contingent Obligations permitted pursuant to Section 6.9.

(d) The pro forma unaudited consolidated balance sheet of the Borrowers and their Subsidiaries dated November 30, 2015 delivered on the Closing Date was prepared by the Borrowers giving pro forma effect to the funding of the Loans and Related Transactions, was based on the unaudited consolidated balance sheets of the Borrowers and their Subsidiaries dated November 30, 2015, and was prepared in accordance with GAAP, with only such adjustments thereto as would be required in a manner consistent with GAAP.

(e) All financial performance projections delivered to the Agent represent the Borrowers' best good faith estimate of future financial performance and are based on assumptions believed by the Borrowers to be fair and reasonable in light of current market conditions, it being acknowledged and agreed by the Agent and Lenders that projections as to future events are not to be viewed as facts and that the actual results during the period or periods covered by such projections may differ from the projected results

4.12Environmental Matters. Except as set forth on Schedule 4.12 of the Disclosure Letter (a) the operations of each Credit Party and each Subsidiary of each Credit Party are and have been in compliance with all applicable Environmental Laws, including obtaining, maintaining and complying with all Permits required by any applicable Environmental Law, other than non-compliances that, in the aggregate, would not have a reasonable likelihood of resulting in Material Environmental Liabilities to any Credit Party or any Subsidiary of any Credit Party, (b) no Credit Party and no Subsidiary of any Credit Party is party to, and no Credit Party and no Subsidiary of any Credit Party and no Real Estate currently (or to the knowledge of any Credit Party previously) owned, leased, subleased, operated or otherwise occupied by or for any such Person is subject to or the subject of, any Contractual Obligation or any pending (or, to the knowledge of any Credit Party, threatened) order, action, investigation, suit, proceeding, audit, claim, demand, dispute or notice of violation or of potential liability or similar notice relating in any manner to any Environmental Law other than those that, in the aggregate, would not have a reasonable likelihood of resulting in Material Environmental Liabilities to a Credit Party or Subsidiary of a Credit Party, (c) no Lien in favor of any Governmental Authority securing, in whole or in part, Environmental Liabilities has attached to any property of any Credit Party or any Subsidiary of any Credit Party and, to the knowledge of any Credit Party, no facts, circumstances or conditions exist that could reasonably be expected to result in any such Lien attaching to any such property, (d) no Credit Party and no Subsidiary of any Credit Party has caused or suffered to occur a Release of Hazardous Materials at, to or from any Real Estate of any such Person and each such Real Estate is free of contamination by any Hazardous Materials except for such Release or

contamination that would not reasonably be expected to result, in the aggregate, in Material Environmental Liabilities to a Credit Party or Subsidiary of a Credit Party, (e) no Credit Party and no Subsidiary of any Credit Party (i) is or has been engaged in, or has permitted any current or former tenant to engage in, operations or (ii) knows of any facts, circumstances or conditions, including receipt of any information request or notice of potential responsibility under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §§ 9601 et seq.) or similar Environmental Laws, that, in the aggregate, would have a reasonable likelihood of resulting in Material Environmental Liabilities to a Credit Party or Subsidiary of a Credit Party and (f) each Credit Party has made available to Agent copies of all existing environmental reports, reviews and audits and all documents pertaining to actual or potential Environmental Liabilities, in each case to the extent such reports, reviews, audits and documents are in their possession, custody or control.

4.13 Regulated Entities. None of any Credit Party, any Person controlling any Credit Party, or any Subsidiary of any Credit Party, is (a) an "investment company" within the meaning of the Investment Company Act of 1940 or (b) subject to regulation under the Federal Power Act, the Interstate Commerce Act, any state public utilities code, or any other federal or state statute, rule or regulation limiting its ability to incur Indebtedness, pledge its assets or perform its obligations under the Loan Documents.

4.14 Solvency. Both before and immediately after giving effect to (a) the Loans made and Letters of Credit Issued on or prior to the date this representation and warranty is made or remade, (b) the disbursement of the proceeds of such Loans to or as directed by Borrower Representative, (c) the consummation of the Related Transactions and (d) the payment and accrual of all transaction costs in connection with the foregoing, the Borrower Representative and its Subsidiaries, taken as a whole, are Solvent.

4.15 Labor Relations. There are no strikes, work stoppages, slowdowns or lockouts existing, pending (or, to the knowledge of any Credit Party, threatened) against or involving any Credit Party or any Subsidiary of any Credit Party, except for those that would not, in the aggregate, reasonably be expected to have a Material Adverse Effect. Except as set forth on Schedule 4.15 of the Disclosure Letter, as of the Closing Date, (a) there is no collective bargaining or similar agreement with any union, labor organization, works council or similar representative covering any employee of any Credit Party or any Subsidiary of any Credit Party, (b) no petition for certification or election of any such representative is existing or pending with respect to any employee of any Credit Party or any Subsidiary of any Credit Party and (c) no such representative has sought certification or recognition with respect to any employee of any Credit Party or any Subsidiary of any Credit Party.

4.16 Intellectual Property. Each Credit Party and each Subsidiary of each Credit Party owns, or is licensed to use, all Intellectual Property necessary to conduct its business as currently conducted except for such Intellectual Property the failure of which to own or license would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect. To the knowledge of each Credit Party, (a) the conduct and operations of the businesses of each Credit Party and each Subsidiary of each Credit Party does not infringe, misappropriate, dilute, violate or otherwise impair any Intellectual Property owned by any other Person and (b) no other Person has contested any right, title or interest of any Credit Party or any Subsidiary of any Credit Party in, or relating to, any Intellectual Property, other than, in each case, as cannot reasonably be expected to affect the Loan Documents and the transactions contemplated therein and would not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

4.17 Subsidiaries. As of the Closing Date, no Credit Party has any Subsidiaries or equity investments in any other corporation or entity other than those specifically disclosed on Schedule 4.2 of the Disclosure Letter.

4.18 Brokers' Fees; Transaction Fees. Except as disclosed on Schedule 4.18 of the Disclosure Letter and except for fees payable to Agent and Lenders, none of the Credit Parties or any of their respective Subsidiaries has any obligation to any Person in respect of any finder's, broker's or investment banker's fee in connection with the transactions contemplated hereby.

4.19 Insurance. Each of the Credit Parties and each of their respective Subsidiaries and their respective Properties are insured with financially sound and reputable insurance companies which are not

Affiliates of the Borrowers, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar Properties in localities where such Person operates. A true and complete listing of such insurance, including issuers, coverages and deductibles, has been provided to the Agent.

4.20 Merger Agreement. As of the Closing Date, the Borrowers have delivered to Agent a complete and correct copy of the Merger Agreement (including all schedules, exhibits, amendments, supplements, modifications, assignments and all other material documents delivered pursuant thereto or in connection therewith).

4.21 Full Disclosure. None of the representations or warranties made by any Credit Party or any of their Subsidiaries in the Loan Documents as of the date such representations and warranties are made or deemed made, and none of the statements contained in each exhibit, report, statement or certificate furnished by or on behalf of any Credit Party or any of their Subsidiaries in connection with the Loan Documents (including the offering and disclosure materials, if any, delivered by or on behalf of any Credit Party to the Lenders prior to the Closing Date), contains any untrue statement of a material fact or omits any material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they are made, when taken as a whole, not materially misleading as of the time when made or delivered.

4.22 Foreign Assets Control Regulations; Anti-Money Laundering; Anti-Corruption Practices.

(a) Each Credit Party and each Subsidiary of each Credit Party is in compliance in all material respects with all U.S. economic sanctions laws, Executive Orders and implementing regulations ("**Sanctions**") as administered by the U.S. Treasury Department's Office of Foreign Assets Control ("**OFAC**") and the U.S. State Department. No Credit Party and no Subsidiary of a Credit Party (i) is a Person on the list of the Specially Designated Nationals and Blocked Persons (the "**SDN List**"), (ii) is a person who is otherwise the target of U.S. economic sanctions laws such that a U.S. person cannot deal or otherwise engage in business transactions with such person, (iii) is a Person organized or resident in a country or territory subject to comprehensive Sanctions (a "**Sanctioned Country**"), or (iv) is owned or controlled by (including by virtue of such Person being a director or owning voting shares or interests), or acts, directly or indirectly, for or on behalf of, any Person on the SDN List or a government of a Sanctioned Country such that the entry into, or performance under, this Agreement or any other Loan Document would be prohibited by U.S. law.

(b) Each Credit Party and each Subsidiary of each Credit Party is in compliance with all laws related to terrorism or money laundering including: (i) all applicable requirements of the Currency and Foreign Transactions Reporting Act of 1970 (31 U.S.C. 5311 et. seq., (the Bank Secrecy Act)), as amended by Title III of the Patriot Act, (ii) the Trading with the Enemy Act, (iii) Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (66 Fed. Reg. 49079), any other enabling legislation, executive order or regulations issued pursuant or relating thereto and (iv) other applicable federal or state laws relating to "know your customer" or anti-money laundering rules and regulations. No action, suit or proceeding by or before any court or Governmental Authority with respect to compliance with such anti-money laundering laws is pending or threatened to the knowledge of each Credit Party and each Subsidiary of each Credit Party.

(c) Each Credit Party and each Subsidiary of each Credit Party is in compliance in all material respects with all applicable anti-corruption laws, including the U.S. Foreign Corrupt Practices Act of 1977 ("**FCPA**") and the U.K. Bribery Act 2010 ("**Anti-Corruption Laws**"). None of the Credit Party or any Subsidiary, nor to the knowledge of the Credit Party, any director, officer, agent, employee, or other person acting on behalf of the Credit Party or any Subsidiary, has taken any action, directly or indirectly, that would result in a violation of applicable Anti-Corruption Laws.

The Credit Party and each Subsidiary has instituted and will continue to maintain policies and procedures designed to promote compliance with applicable Anti-Corruption Laws.

4.23 FDA Regulatory Compliance.

(a) Each of the Credit Parties and their Subsidiaries have all Registrations from FDA or other Governmental Authority required to conduct their respective businesses as currently conducted. Each of the Registrations is valid and subsisting in full force and effect. Except as set forth in Schedule 4.23 of the Disclosure Letter, to the knowledge of the Credit Parties and their Subsidiaries, the FDA is not considering limiting, suspending, or revoking such Registrations or changing the marketing classification or labeling of the products of the Credit Parties and their Subsidiaries. To the knowledge of the Credit Parties and their Subsidiaries, there is no false or misleading information or significant omission in any product application or other submission to FDA or any comparable Governmental Authority. The Credit Parties and their Subsidiaries have fulfilled and performed their obligations under each Registration in all material respects, and no event has occurred or condition or state of facts exists which would constitute a breach or default or would cause revocation or termination of any such Registration that could reasonably be expected to result in a Material Adverse Effect. To the knowledge of the Credit Parties and their Subsidiaries, any third party that is a manufacturer or contractor for the Credit Parties and their Subsidiaries is in compliance with all Registrations from the FDA or comparable Governmental Authority insofar as they pertain to the manufacture of product components or products for the Credit Parties and their Subsidiaries.

(b) All products developed, manufactured, tested, distributed or marketed by or on behalf of the Credit Parties and their Subsidiaries that are subject to the jurisdiction of the FDA or comparable Governmental Authority have been and are being developed, tested, manufactured, distributed and marketed in compliance with the FDA Laws or any other applicable Requirement of Law, including, without limitation, pre-market notification, good manufacturing practices, labeling, advertising, record-keeping, and adverse event reporting, except where a failure to be in compliance could not reasonably be expected to result in a Material Adverse Effect, and have been and are being tested, investigated, distributed, marketed, and sold in compliance in all material respects with FDA Laws or any other applicable Requirement of Law, except where a failure to be in compliance could not reasonably be expected to result in a Material Adverse Effect.

(c) Except as could not reasonably be expected to result in a Material Adverse Effect, (i) the Credit Parties and their Subsidiaries are not subject to any obligation arising under an administrative or regulatory action, FDA inspection, FDA warning letter, FDA notice of violation letter, or other notice, response or commitment made to or with the FDA or any comparable Governmental Authority, and (ii) the Credit Parties and their Subsidiaries have made all notifications, submissions, and reports required by any such obligation, and all such notifications, submissions and reports were true, complete, and correct in all material respects as of the date of submission to FDA or any comparable Governmental Authority.

(d) Since December 31, 2014, no product has been seized, withdrawn, recalled, detained, or become subject to a suspension of manufacturing except as disclosed on Schedule 4.23 of the Disclosure Letter, and there are no facts or circumstances reasonably likely to cause, (i) the seizure, denial, withdrawal, recall, detention, field correction, safety alert or suspension of manufacturing relating to any product; (ii) a change in the labeling of any product; or (iii) a termination, seizure or suspension of marketing of any product, which would, in each case, reasonably be expected to result in a Material Adverse Effect. Except as could not reasonably be expected to result in a Material Adverse Effect, no proceedings in the United States or any other

jurisdiction seeking the withdrawal, recall, suspension, import detention, or seizure of any product are pending or, to the knowledge of the Credit Parties and their Subsidiaries, threatened against the Credit Parties and their Subsidiaries.

4.24 Healthcare Regulatory Compliance.

(a) To the knowledge of the Credit Parties and their Subsidiaries, none of the Credit Parties, their Subsidiaries and their other Affiliates, nor any officer, director, managing employee or agent (as those terms are defined in 42 C.F.R. § 1001.1001) thereof, is a party to, or bound by, any order, individual integrity agreement, corporate integrity agreement or other formal or informal agreement with any Governmental Authority concerning compliance with Federal Health Care Program Laws.

(b) To the knowledge of the Credit Parties and their Subsidiaries, none of the Credit Parties, their Subsidiaries and their other Affiliates, nor any officer, director, managing employee or agent (as those terms are defined in 42 C.F.R. § 1001.1001) thereof: (i) has been charged with or convicted of any criminal offense relating to the delivery of an item or service under any Federal Health Care Program; (ii) has been debarred, excluded or suspended from participation in any Federal Health Care Program; (iii) has had a civil monetary penalty assessed against it, him or her under Section 1128A of the SSA; (iv) is currently listed on the General Services Administration published list of parties excluded from federal procurement programs and non-procurement programs; or (v) to the knowledge of the Borrowers, is the target or subject of any current or potential investigation relating to any Federal Health Care Program-related offense.

(c) None of the Credit Parties, their Subsidiaries and their other Affiliates, nor any officer, director, managing employee or agent (as those terms are defined in 42 C.F.R. § 1001.1001): has engaged in any activity that is in violation, to the extent such violation could reasonably be expected to result in a Material Adverse Effect to any Credit Party or their Subsidiaries, of the federal Medicare or federal or state Medicaid statutes, Sections 1128, 1128A, 1128B, 1128C or 1877 of the SSA (42 U.S.C. §§ 1320a-7, 1320a-7a, 1320a-7b, 1320a-7c and 1395nn), the federal TRICARE statute (10 U.S.C. § 1071 et seq.), the civil False Claims Act of 1863 (31 U.S.C. § 3729 et seq.), criminal false claims statutes (e.g., 18 U.S.C. §§ 287 and 1001), the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. § 3801 et seq.), the anti-fraud and related provisions of the Health Insurance Portability and Accountability Act of 1996 (e.g., 18 U.S.C. §§ 1035 and 1347), or related regulations or other federal or state laws and regulations relating to healthcare fraud or government healthcare programs (collectively, "**Federal Health Care Program Laws**"), including the following:

(i) knowingly and willfully making or causing to be made a false statement or representation of a material fact in any application for any benefit or payment;

(ii) knowingly and willfully making or causing to be made a false statement or representation of a material fact for use in determining rights to any benefit or payment;

(iii) knowingly and willfully soliciting or receiving any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or kind (1) in return for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under any Federal Health Care Program; or (2) in return for purchasing, leasing, or ordering, or arranging, or arranging for or recommending purchasing, leasing, or ordering any good, facility, service or item for which payment may be made in whole or in part under any Federal Health Care Program;

(iv) knowingly and willfully offering or paying any remuneration (including any kickback, bribe or rebate), directly or indirectly, overtly or covertly, in cash or in kind, to any person to induce such person (1) to refer an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under a Federal Health Care Program; or (2) to purchase, lease, order or arrange for or recommend purchasing, leasing or ordering any good, facility, service or item for which payment may be made in whole or in part under a Federal Health Care Program; or

(v) any other activity that violates any state or federal law relating to prohibiting fraudulent, abusive or unlawful practices connected in any way with the provision of health care items or services or the billing for such items or services provided to a beneficiary of any Federal Health Care Program.

(d) To the knowledge of the Borrowers, no person has filed or has threatened to file against any Credit Party, any of their Subsidiaries or other Affiliates an action under any federal or state whistleblower statute, including without limitation, under the False Claims Act of 1863 (31 U.S.C. § 3729 et seq.).

4.25 Reimbursement Coding. To the extent the Credit Parties or any of their Subsidiaries provide to their customers or any other Persons reimbursement coding or billing advice regarding products offered for sale by the Credit Parties and their Subsidiaries, such advice is complete and accurate in all material respects, conforms to the applicable American Medical Association's Current Procedural Terminology (CPT), the International Classification of Disease, Ninth Revision, Clinical Modification (ICD 9 CM), and other applicable coding systems, and the advice can be relied upon to create accurate claims for reimbursement by federal, state and commercial payors.

4.26HIPAA. Each of the Credit Parties and their Subsidiaries is in compliance with the provisions of all business associate agreements (as such term is defined by HIPAA) to which it is a party except for the non-compliance of which would not have a reasonable likelihood of resulting in a Material Adverse Effect and to the knowledge of each of the Credit Parties and their Subsidiaries has implemented adequate policies, procedures and training designed to assure continued compliance and to detect non-compliance.

ARTICLE V

AFFIRMATIVE COVENANTS

Each Credit Party covenants and agrees that until the Facility Termination Date:

5.1 Financial Statements. Each Credit Party shall maintain, and shall cause each of its Subsidiaries to maintain, a system of accounting established and administered in accordance with sound business practices to permit the preparation of financial statements in conformity with GAAP (provided that unaudited interim financial statements shall not be required to have footnote disclosures and are subject to normal year-end adjustments). The Borrowers shall deliver to Agent and each Lender by Electronic Transmission and in detail reasonably satisfactory to Agent and the Required Lenders:

(a) as soon as available, but not later than ninety (90) days after the end of each Fiscal Year, a copy of the audited consolidated balance sheets of the Borrowers and each of their Subsidiaries as at the end of such Fiscal Year and the related consolidated statements of income or operations, shareholders' equity and cash flows for such Fiscal Year, setting forth in each case in comparative form the figures for the previous Fiscal Year, and accompanied by the unqualified opinion of any "Big Four" or other nationally recognized independent public accounting firm reasonably acceptable to the Agent which report shall state that such consolidated financial

statements present fairly in all material respects the financial position for the periods indicated in conformity with GAAP applied on a basis consistent with prior years; and

(b) as soon as available, but not later than forty-five (45) days after the end of each fiscal quarter of each year, a copy of the unaudited consolidated balance sheets and statements of income of the Borrowers and each of their Subsidiaries, and the related statements of shareholders' equity and cash flows as of the end of such quarter and for the portion of the Fiscal Year then ended, all certified on behalf of the Borrowers by an appropriate Responsible Officer of the Borrower Representative as being complete and correct and fairly presenting, in all material respects, in accordance with GAAP, the financial position and the results of operations of the Borrowers and their Subsidiaries, subject to normal year-end adjustments and absence of footnote disclosures.

5.2Certificates; Other Information. The Borrowers shall furnish to Agent and each Lender by Electronic Transmission:

(a) together with each delivery of financial statements pursuant to subsections 5.1(a) and (b), (i) a management report, in reasonable detail, signed by the chief financial officer of the Borrower Representative, describing the operations and financial condition of the Credit Parties and their Subsidiaries for the month and the portion of the Fiscal Year then ended (or for the Fiscal Year then ended in the case of annual financial statements), and (ii) a report setting forth in comparative form the corresponding figures for the corresponding periods of the previous Fiscal Year and the corresponding figures from the most recent projections for the current Fiscal Year delivered pursuant to subsection 5.2(d) and discussing the reasons for any significant variations; provided, however, to the extent the Borrower Representative makes 10-Q and 10-K filings with the Securities and Exchange Commission with an MD&A report, such filings shall be deemed to satisfy this clause (a);

(b) together with each delivery of financial statements pursuant to subsections 5.1(a) and (b), a fully and properly completed certificate in the form of Exhibit 5.2(b) (a "**Compliance Certificate**"), certified on behalf of the Borrowers by a Responsible Officer of the Borrower Representative, which Compliance Certificate shall, in the case of each annual Compliance Certificate and each other Compliance Certificate delivered immediately following any usage of any Available Amount based basket, a calculation of the Available Amount, in each instance, as of the last day of each month;

(c) together with each delivery of financial statements pursuant to subsections 5.1(a) and (b), a list of any applications for the registration of any Patent, Trademark or Copyright filed by any Credit Party with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency during the most-recently ended fiscal quarter, or as at such other date as the Agent may reasonably require;

(d) as soon as available and in any event no later than the 60th day after the last day of each Fiscal Year of the Borrowers, board-approved projections of the Credit Parties' (and their Subsidiaries') consolidated financial performance for the forthcoming Fiscal Year on a quarterly basis including without limitation an unaudited consolidated balance sheet, statement of income and statement of cash flows, in each case of the Borrowers and each of their Subsidiaries;

(e) promptly upon receipt thereof, copies of any reports submitted by the Borrowers' certified public accountants in connection with each annual, interim or special audit or review of any type of the financial statements or internal control systems of any Credit Party made by such accountants, including any formal, final comment letters submitted by such accountants in writing to management of any Credit Party in connection with such financial statements or internal control systems;

(f) from time to time, if Agent determines that obtaining appraisals is necessary in order for Agent or any Lender to comply with applicable laws or regulations (including any appraisals required to comply with FIRREA), and at any time if an Event of Default shall have occurred and be continuing, Agent may, or may require Borrower to, in either case at Borrower's expense, obtain appraisals in form and substance and from appraisers reasonably satisfactory to Agent stating the then current fair market value of all or any portion of the personal property of any Credit Party or any Subsidiary of any Credit Party and the fair market value or such other value as determined by Agent (for example, replacement cost for purposes of Flood Insurance) of any Real Estate of any Credit Party or any Subsidiary of any Credit Party; and

(g) promptly, such additional business, financial, corporate affairs, perfection certificates and other information as Agent may from time to time reasonably request.

5.3 Notices. The Borrowers shall notify promptly Agent and each Lender of each of the following (and in no event later than five (5) Business Days after a Responsible Officer becoming aware thereof):

(a) the occurrence or existence of any Default or Event of Default, or any event or circumstance that foreseeably will become a Default or Event of Default;

(b) any breach or non-performance of, or any default under, any Contractual Obligation of any Credit Party or any Subsidiary of any Credit Party, or any violation of, or non-compliance with, any Requirement of Law, which would reasonably be expected to result, either individually or in the aggregate, in a Material Adverse Effect, including a description of such breach, non-performance, default, violation or non-compliance and the steps, if any, such Person has taken, is taking or proposes to take in respect thereof;

(c) the commencement of, or any material development in, any dispute, litigation, investigation, proceeding or suspension which may exist at any time between any Credit Party or any Subsidiary of any Credit Party and any Governmental Authority which would reasonably be expected to result, either individually or in the aggregate, in a Material Adverse Effect;

(d) any notice that the FDA or other similar Governmental Authority is limiting, suspending or revoking any Registration, changing the market classification or labeling of the products of the Credit Parties and their Subsidiaries, or considering any of the foregoing that would reasonably be expected to result in Liabilities in excess of $1,500,000 or a Material Adverse Effect;

(e) any Credit Party or any of its Subsidiaries becoming subject to any administrative or regulatory action; any Credit Party or any of its Subsidiaries receiving a Form FDA 483, FDA warning letter, FDA notice of violation letter, or any other written or verbal communication from FDA (other than informal verbal communications from FDA investigators during the course of an inspection that are not documented in a Form FDA 483) or any comparable Governmental Authority alleging material noncompliance with any Requirement of Law; any product of any Credit Party or any of its Subsidiaries being seized, withdrawn, recalled, detained, or subject to a suspension of manufacturing that would reasonably be expected to result in Liabilities in excess of $1,500,000 or a Material Adverse Effect; or the commencement of any proceedings in the United States or any other jurisdiction seeking the withdrawal, recall, suspension, import detention, or seizure of any product of the Credit Parties or their Subsidiaries which, if adversely determined, would reasonably be expected to result in Liabilities in excess of $1,500,000 or a Material Adverse Effect;

(f) the commencement of, or any material development in, any litigation or proceeding affecting any Credit Party or any Subsidiary of any Credit Party (i) in which the amount of damages claimed is $2,500,000 (or its equivalent in another currency or currencies) or more, (ii) in which injunctive or similar relief is sought which would reasonably be expected to have a Material Adverse Effect or (iii) in which the relief sought is an injunction or other stay of the performance of this Agreement, any Loan Document or any Related Agreement;

(g) (i) the receipt by any Credit Party of any notice of violation of or potential liability or similar notice under Environmental Law, (ii)(A) unpermitted Releases, (B) the existence of any condition that would reasonably be expected to result in violations of or Liabilities under any Environmental Law or (C) the commencement of, or any material changes to, any action, investigation, suit, proceeding, audit, claim, demand, dispute alleging a violation of or Liability under any Environmental Law, that, for each of clauses (i) and (ii)(A), (B) and (C) above, in the aggregate for each such clause, would reasonably be expected to result in Material Environmental Liabilities, (iii) the receipt by any Credit Party of notification that any Property of any Credit Party is subject to any Lien in favor of any Governmental Authority securing, in whole or in part, Environmental Liabilities and (iv) any proposed acquisition or lease of Real Estate, if such acquisition or lease would have a reasonable likelihood of resulting in aggregate Material Environmental Liabilities;

(h) (i) on or prior to any filing by any ERISA Affiliate of any notice of any reportable event under Section 4043 of ERISA or intent to terminate any Title IV Plan, a copy of such notice and (ii) promptly, and in any event within 10 days, after any officer of any ERISA Affiliate knows or has reason to know that a request for a minimum funding waiver under Section 412 of the Code has been filed with respect to any Title IV Plan or Multiemployer Plan, a notice (which may be made by telephone if promptly confirmed in writing) describing such waiver request and any action that any ERISA Affiliate proposes to take with respect thereto, together with a copy of any notice filed with the PBGC or the IRS pertaining thereto, and (iii) promptly, and in any event within ten (10) days after any officer of any ERISA Affiliate knows or has reason to know that an ERISA Event will or has occurred, a notice describing such ERISA Event, and any action that any ERISA Affiliate proposes to take with respect thereto, together with a copy of any notices received from or filed with the PBGC, IRS, Multiemployer Plan or other Benefit Plan pertaining thereto;

(i) any Material Adverse Effect subsequent to the date of the most recent audited financial statements delivered to Agent and Lenders pursuant to this Agreement;

(j) any material change in accounting policies or financial reporting practices by any Credit Party or any Subsidiary of any Credit Party;

(k) any labor controversy resulting in or threatening to result in any strike, work stoppage, boycott, shutdown or other labor disruption against or involving any Credit Party or any Subsidiary of any Credit Party if the same would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect;

(l) the creation, establishment or acquisition of any Subsidiary or the issuance by or to any Credit Party of any Stock or Stock Equivalent other than options and stock grants pursuant to CryoLife's incentive plans, stock plans, stock option plan or employee stock purchase plan now existing or hereafter created; and

(m) the creation, or filing with the IRS or any other Governmental Authority, of any Contractual Obligation or other document extending, or having the effect of extending, the period for assessment or collection of any taxes with respect to any Tax Affiliate and (ii) the creation of any Contractual Obligation of any Tax Affiliate, or the receipt of any request directed to any Tax

Affiliate, to make any adjustment under Section 481(a) of the Code, by reason of a change in accounting method or otherwise, which would have a Material Adverse Effect.

Each notice pursuant to this Section shall be an Electronic Transmission accompanied by a statement by a Responsible Officer of Borrower Representative, on behalf of the Borrowers, setting forth details of the occurrence referred to therein, and stating what action the Borrowers or other Person proposes to take with respect thereto and at what time. Each notice under subsection 5.3(a) shall describe with particularity any and all clauses or provisions of this Agreement or other Loan Document that have been breached or violated.

5.4 Preservation of Corporate Existence, Etc. Each Credit Party shall, and shall cause each of its Subsidiaries (other than Immaterial Subsidiaries) to:

(a) preserve and maintain in full force and effect its organizational existence and good standing under the laws of its jurisdiction of incorporation, organization or formation, as applicable, except, with respect to the Borrowers' Subsidiaries, in connection with transactions permitted by Section 6.3;

(b) preserve and maintain in full force and effect all rights, privileges, qualifications, permits, licenses and franchises necessary in the normal conduct of its business except in connection with transactions permitted by Section 6.3 and sales of assets permitted by Section 6.2 and except as would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect;

(c) use its reasonable efforts, in the ordinary course of business, to preserve its business organization and preserve the goodwill and business of the customers, suppliers and others having material business relations with it; and

(d) preserve or renew all of its registered trademarks, trade names and service marks, the non-preservation of which would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

5.5 Maintenance of Property. Each Credit Party shall maintain, and shall cause each of its Subsidiaries to maintain, and preserve all its Property which is used or useful in its business in good working order and condition, ordinary wear and tear excepted and shall make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

5.6 Insurance. The Credit Parties shall, and shall cause each of their Subsidiaries to, maintain with financially sound and reputable insurance companies insurance with respect to their assets, properties and business, against such hazards and liabilities, of such types and in such amounts, as is customarily maintained by companies in the same or similar businesses similarly situated, including Flood Insurance. Each such policy of insurance shall (i) in the case of each liability policy, name Agent on behalf of the Secured Parties as an additional insured thereunder as its interests may appear and (ii) in the case of each casualty insurance policy contain a loss payable clause or endorsement that names Agent, on behalf of the Secured Parties, as the loss payee thereunder and, to the extent available, provide for at least thirty (30) days' prior written notice to Agent of any modification or cancellation of such policy (or ten (10) days' prior written notice in the case of the failure to pay any premiums thereunder). A true and complete listing of such insurance, including issuers, coverages and deductibles, shall be provided to Agent promptly following Agent's request. Notwithstanding the requirements above, Flood Insurance shall not be required for (x) Real Estate not located in a Special Flood Hazard Area, or (y) Real Estate located in a Special Flood Hazard Area in a community that does not participate in the National Flood Insurance Program.

5.7 Payment of Obligations. Such Credit Party shall, and shall cause each of its Subsidiaries to, pay, discharge and perform as the same shall become due and payable or required to be performed, each of the following:

(a) all Tax liabilities, assessments and governmental charges or levies upon it or its Property, unless (i) the same are being contested in good faith by appropriate proceedings diligently prosecuted which stay the enforcement of any Lien and for which adequate reserves in accordance with GAAP are being maintained by such Person or (ii) the failure to do so would not reasonably be expected to result in Liabilities to a Credit Party or Subsidiary of a Credit Party in excess of $500,000; and

(b) all lawful claims which, if unpaid, would by law become a Lien upon its Property unless (i) the same are being contested in good faith by appropriate proceedings diligently prosecuted which stay the imposition or enforcement of the Lien and for which adequate reserves in accordance with GAAP are being maintained by such Person or (ii) the failure to do so would not reasonably be expected to result in Liabilities to a Credit Party or Subsidiary of a Credit Party in excess of $500,000.

5.8 Compliance with Laws

(a) Each Credit Party shall, and shall cause each of its Subsidiaries to, comply with all Requirements of Law of any Governmental Authority having jurisdiction over it or its business, except where the failure to comply would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

(b) Without limiting the generality of the foregoing, each Credit Party shall, and shall cause each of its Subsidiaries to, comply in all material respects with all applicable statutes, rules, regulations, standards, guidelines, policies and orders administered or issued by FDA ("FDA Laws") or any comparable Governmental Authority. All products developed, manufactured, tested, distributed or marketed by or on behalf of the Credit Parties and their Subsidiaries that are subject to the jurisdiction of the FDA or comparable Governmental Authority shall be developed, tested, manufactured, distributed and marketed in compliance with the Requirements of Law of the jurisdiction in which the applicable product is marketed or commercialized, including, without limitation, pre-market notification, good manufacturing practices, labeling, advertising, record-keeping, and adverse event reporting, and have been and are being tested, investigated, distributed, marketed, and sold in compliance with the Requirements of Law of such applicable jurisdiction.

(c) Without limiting the generality of the foregoing, each Credit Party shall, and shall cause each of its Subsidiaries to, comply with, and maintain its real property, whether owned, leased, subleased or otherwise operated or occupied, in compliance with, all applicable Environmental Laws (including by implementing any Remedial Action necessary to achieve such compliance or that is required by lawful orders and directives of any Governmental Authority) except for failures to comply that would not, in the aggregate, have a Material Adverse Effect. Without limiting the foregoing, if an Event of Default is continuing or if Agent at any time has a reasonable basis to believe that there exist violations of Environmental Laws by any Credit Party or any Subsidiary of any Credit Party or that there exist any Environmental Liabilities, in each case, that would have, in the aggregate, a Material Adverse Effect, then each Credit Party shall, promptly upon receipt of request from Agent, cause the performance of, and allow Agent and its Related Persons access to such real property for the purpose of conducting, such environmental audits and assessments, including subsurface sampling of soil and groundwater, and cause the preparation of such reports, in each case as Agent may from time to time reasonably request. Such audits, assessments and reports, to the extent not conducted by Agent or any of its Related Persons, shall be conducted and prepared by reputable environmental consulting firms reasonably acceptable to Agent and shall be in form and substance reasonably acceptable to Agent.

5.9 Inspection of Property and Books and Records. Each Credit Party shall maintain and shall cause each of its Subsidiaries to maintain proper books of record and account, in which full, true and correct

entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of such Person. Each Credit Party shall, and shall cause each of its Subsidiaries to, with respect to each owned, leased, or controlled property, during normal business hours and upon reasonable advance notice (unless, in each case, an Event of Default shall have occurred and be continuing, in which event no notice shall be required and Agent shall have access at any and all times during the continuance thereof): (a) provide access to such property to Agent and any of its Related Persons, as frequently as Agent determines to be appropriate and (b) permit Agent and any of its Related Persons to inspect, audit and make extracts and copies (or take originals if reasonably necessary) from all of such Credit Party's books and records, in each instance, at the Credit Parties' expense; provided the Credit Parties shall not be responsible for costs and expenses of more than one such inspection per calendar year at a cost of no more than $15,000, unless an Event of Default has occurred and is continuing. Any Lender may accompany Agent in connection with any inspection at such Lender's expense.

5.10 Use of Proceeds. The Borrowers shall use the proceeds of the Loans solely as follows: (a) first, to pay in full on the Closing Date, Prior Indebtedness and then to pay on the Closing Date the purchase price for the Closing Date Acquisition, (b) to pay costs and expenses of the Related Transactions and costs and expenses required to be paid pursuant to Section 3.1, and (c) for working capital, capital expenditures, acquisitions permitted hereunder and other general corporate purposes not in contravention of any Requirement of Law and not in violation of this Agreement; provided, however, in no event may proceeds of Revolving Loans or Swing Loans be used, directly or indirectly, to make an optional prepayment of Term Loan.

5.11 Cash Management Systems. Each Credit Party shall enter into, and cause each depository, securities intermediary or commodities intermediary to enter into, Control Agreements with respect to each deposit, securities, commodity or similar account maintained by such Person (other than (a) any payroll account so long as such payroll account is a zero balance account or is funded no earlier than the Business Day immediately prior to the date of any payroll disbursements and in an amount not exceeding the same, (b) other zero balance disbursement accounts, (c) petty cash accounts, amounts on deposit in which do not exceed $250,000 in the aggregate at any one time and (d) withholding tax and fiduciary accounts) as of or after the Closing Date; provided, that the Credit Parties shall have until the date that is sixty (60) days following the closing date of a Permitted Acquisition, Acquisition or other Investment permitted hereunder (other than the Closing Date Acquisition which is otherwise provided for in Section 5.14 hereof) (or such later date as may be agreed to by Agent in its sole discretion) to comply with the provisions of this Section 5.11 with regard to accounts of the Credit Parties acquired in connection with such Permitted Acquisition, Acquisition or other Investment.

5.12 Landlord Agreements. Each Credit Party shall use commercially reasonable efforts to obtain a landlord agreement or bailee or mortgagee waivers, as applicable, from the lessor of each leased property, bailee in possession of any Collateral or mortgagee of any owned property with respect to each location where Collateral with an aggregate value of $1,000,000 or more is stored or located, which agreement shall be reasonably satisfactory in form and substance to Agent. Notwithstanding the foregoing, landlord, bailee or mortgagee waivers shall not be required with respect to (a) locations where hospitals and other clients of the Credit Parties store laser consoles which are rented by, are subject to evaluation by or have been loaned at no cost to such hospitals or clients from a Credit Party and (b) freezers that are owned by any Credit Party and placed under bailment arrangements.

5.13 Further Assurances.

(a) Each Credit Party shall ensure that all written information, exhibits and reports furnished to Agent or the Lenders, do not and will not contain any untrue statement of a material fact and do not and will not omit to state any material fact or any fact necessary to make the statements

contained therein, when taken as a whole, not materially misleading in light of the circumstances in which made, and will promptly disclose to Agent and the Lenders and correct any defect or error that may be discovered therein or in any Loan Document or in the execution, acknowledgement or recordation thereof.

(b) Promptly upon request by the Agent, the Credit Parties shall (and, subject to the limitations set forth herein and in the Collateral Documents, shall cause each of their Subsidiaries to) take such additional actions and execute such documents as the Agent may reasonably require from time to time in order (i) to carry out more effectively the purposes of this Agreement or any other Loan Document, (ii) to subject to the Liens created by any of the Collateral Documents any of the Properties, rights or interests covered by any of the Collateral Documents, (iii) subject to customary "Funds Certain Provisions" with respect to perfection of Liens on assets acquired in the Closing Date Acquisition or any other Acquisition or Investment permitted hereunder, to perfect and maintain the validity, effectiveness and (to the extent required hereby) priority of any of the Collateral Documents and the Liens intended to be created thereby (including, without limitation, by the filing of UCC financing statements in such jurisdictions as may be required by the Loan Documents or applicable Requirements of Law or as the Agent may deem necessary and appropriate), and (iv) to better assure, convey, grant, assign, transfer, preserve, protect and confirm to the Secured Parties the rights granted or now or hereafter intended to be granted to the Secured Parties under any Loan Document or under any other document executed in connection therewith. Without limiting the generality of the foregoing and except as otherwise approved in writing by Required Lenders, the Credit Parties shall cause each of their Domestic Subsidiaries (other than Excluded Subsidiaries) promptly after formation or acquisition thereof, to guaranty the Obligations and to cause each such Subsidiary to grant to the Agent, for the benefit of the Secured Parties, a security interest in, subject to the limitations set forth herein and in the Collateral Documents, all of such Subsidiary's Property to secure such guaranty. If at any time there are Subsidiaries of Borrower Representative which are classified as "Immaterial Subsidiaries" (other than Immaterial Subsidiaries that otherwise qualify as Excluded Subsidiaries) but which collectively (a) generate more than 7.5% of Adjusted EBITDA on a pro forma basis or (b) have total assets (including Stock and Stock Equivalents in other Subsidiaries and excluding investments that are eliminated in consolidation) of equal to or greater than 7.5% of the Consolidated Total Assets, then Borrower Representative shall promptly cause one or more of such Immaterial Subsidiaries that does not otherwise qualify as an Excluded Subsidiary to comply with the provisions of Section 5.13, such that, after such Subsidiaries become Guarantors hereunder (and provide all Collateral required to be provided by Guarantors), all "Immaterial Subsidiaries" (other than Immaterial Subsidiaries that otherwise qualify as Excluded Subsidiaries) that are not Guarantors shall (A) generate not more than 7.5% of Adjusted EBITDA in the aggregate and (B) have total assets of not more than 7.5% of Consolidated Total Assets. Furthermore, Borrower Representative shall notify promptly Agent of the issuance by or to any Credit Party (other than by Borrower Representative) of any Stock and Stock Equivalents and, except as otherwise approved in writing by Required Lenders, each Credit Party shall pledge all of the Stock and Stock Equivalents of each of its Domestic Subsidiaries (other than Excluded Domestic Subsidiaries) and sixty-five percent (65%) of the outstanding voting Stock and Stock Equivalents and one hundred percent (100%) of outstanding non-voting Stock and Stock Equivalents of each Foreign Subsidiary and Excluded Domestic Subsidiary, in each case directly owned by a Credit Party, in each instance, to Agent, for the benefit of the Secured Parties, to secure the Obligations, promptly after formation or acquisition of such Subsidiary. The Credit Parties shall deliver, or cause to be delivered, to Agent, appropriate resolutions, secretary certificates, certified Organization Documents and, if requested by Agent, legal opinions relating to the matters described in this Section 5.13 (which opinions shall be in form and substance reasonably acceptable to Agent), in each instance with respect to each Credit Party formed or acquired, and each Credit Party or Person (other than a Credit Party) whose Stock and Stock Equivalents is being pledged, after the

Closing Date. In connection with each pledge of Stock and Stock Equivalents, the Credit Parties shall deliver, or cause to be delivered, to Agent, stock powers and/or assignments, as applicable, duly executed in blank. In the event any Credit Party acquires fee title to any Real Estate with a fair market value in excess of $1,000,000, within ninety (90) days (or such later date as may be agreed by Agent in its sole discretion) after such acquisition, such Person shall execute and/or deliver, or cause to be executed and/or delivered, to Agent, (w) an appraisal complying with FIRREA, (x) a fully executed Mortgage, in form and substance reasonably satisfactory to Agent together with an A.L.T.A. lender's title insurance policy issued by a title insurer reasonably satisfactory to Agent, in form and substance and in an amount reasonably satisfactory to Agent insuring that the Mortgage is a valid and enforceable first priority Lien on the respective property, free and clear of all defects, encumbrances and Liens other than Permitted Liens, and (y) then current A.L.T.A. surveys, certified to Agent by a licensed surveyor sufficient to allow the issuer of the lender's title insurance policy to issue such policy without a survey exception. In the event any Credit Party acquires fee title to any Real Estate, at Agent's request, such Credit Party shall cause to be delivered to Agent, within ninety (90) days (or such later date as may be agreed by Agent in its sole discretion) after such acquisition, an environmental site assessment prepared by a qualified firm reasonably acceptable to Agent, in form and substance reasonably satisfactory to Agent, and in the event any Credit Party acquires any leasehold interest in Real Estate, at the request of Agent the Credit Parties shall deliver to Agent a copy of any environmental site assessment available to the Borrower Representative or its Subsidiaries for such Real Estate, if any. In addition to the obligations set forth in Section 5.6(a), the Credit Parties shall, in connection with the grant to Agent for the benefit of the Secured Parties of any Mortgage with respect to any Real Estate, and prior to or concurrently with such grant, provide all documents and information required by, and otherwise comply with, the Flood Insurance Requirements as they apply to the applicable Real Estate. In addition, within forty-five (45) days after written notice from Agent to the Credit Parties that any owned Real Estate or any other Real Estate subject to a Mortgage is located in a Special Flood Hazard Area, the Credit Parties shall satisfy (to the extent theretofore not previously satisfied) the Flood Insurance Requirements as to the applicable Real Estate. Without limitation of the foregoing, each Credit Party shall, and shall cause each of its Subsidiaries to, cooperate with Agent in connection with compliance with laws governing the National Flood Insurance Program, including by providing any information reasonably required by Agent in order to confirm compliance with such laws.

(c) To the extent that any holding company acquires 100% of the Stock of the Borrower, the Borrower shall cause such holding company to guarantee the Obligations and to pledge to the Agent, for the benefit of the Secured Parties, all of the Stock of the Borrower to secure such guaranty, pursuant to documentation reasonably satisfactory to the Agent and accompanied by such corporate documents and legal opinions as the Agent shall reasonably request. In connection with such guaranty and pledge of Stock, the Credit Parties shall deliver, or cause to be delivered, to the Agent, all original certificates evidencing the Stock of the Borrower, together with stock powers and/or assignments, as applicable, duly executed in blank.

5.14 Post-Closing Requirements. The Borrower will, and will cause each of its Subsidiaries to, take each of the actions set forth on Schedule 5.14 within the time period prescribed therefor on such schedule (as such time period may be extended by Agent in its sole discretion).

ARTICLE VI

NEGATIVE COVENANTS

Each Credit Party covenants and agrees that until the Facility Termination Date:

6.1 Limitation on Liens. No Credit Party shall, and no Credit Party shall suffer or permit any of its Subsidiaries to, directly or indirectly, make, create, incur, assume or suffer to exist any Lien upon or with respect to any part of its Property, whether now owned or hereafter acquired, other than the following ("**Permitted Liens**"):

(a) any Lien existing on the Property of a Credit Party or a Subsidiary of a Credit Party on the Closing Date and set forth in Schedule 6.1 of the Disclosure Letter securing Indebtedness outstanding on such date and permitted by subsection 6.5(c), including replacement Liens on the Property currently subject to such Liens securing Indebtedness permitted by subsection 6.5(c);

(b) any Lien created under any Loan Document;

(c) Liens for Taxes (i) which are not delinquent or remain payable without penalty, or (ii) the non-payment of which is permitted by Section 5.7;

(d) carriers', warehousemen's, mechanics', landlords', materialmen's, repairmen's or other similar Liens arising in the ordinary course of business which are not delinquent for more than ninety (90) days or remain payable without penalty or which are being contested in good faith and by appropriate proceedings diligently prosecuted, which proceedings have the effect of preventing the forfeiture or sale of the Property subject thereto and for which adequate reserves in accordance with GAAP are being maintained;

(e) Liens (other than any Lien imposed by ERISA) consisting of pledges or deposits required in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation or to secure the performance of tenders, statutory obligations, surety, stay, customs and appeals bonds, bids, leases, governmental contract, trade contracts, performance and return of money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money) or to secure liability to insurance carriers;

(f) Liens consisting of judgment or judicial attachment liens (other than for payment of Taxes), provided that the enforcement of such Liens is effectively stayed and the existence of such judgment does not constitute an Event of Default under Section 8.1(h) or 8.1(i);

(g) easements, rights-of-way, zoning and other restrictions, minor defects or other irregularities in title, and other similar encumbrances incurred in the ordinary course of business which, either individually or in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the Property subject thereto or interfere in any material respect with the ordinary conduct of the businesses of any Credit Party or any Subsidiary of any Credit Party;

(h) Liens on any Property acquired or held by any Credit Party or any Subsidiary of any Credit Party securing Indebtedness incurred or assumed for the purpose of financing (or refinancing) all or any part of the cost of acquiring, repairing, improving or constructing such Property and permitted under Section 6.5(d); provided that (i) such Lien attaches solely to the Property so acquired, repaired, improved or constructed in such transaction and the proceeds thereof and (ii) the principal amount of the Indebtedness secured thereby does not exceed 100% of the cost of acquiring, repairing, improving and/or constructing such Property;

(i) Liens securing Capital Lease Obligations permitted under subsection 6.5(d);

(j) any interest or title of a lessor or sublessor under any lease permitted by this Agreement;

(k) Liens arising from the filing of precautionary uniform commercial code financing statements with respect to any lease not prohibited by this Agreement;

(l) licenses, sublicenses, leases or subleases granted to third parties in the ordinary course of business not interfering with the business of the Credit Parties or any of their Subsidiaries, and permitted under Section 6.2;

(m) Liens in favor of collecting banks arising by operation of law under Section 4-210 of the UCC or, with respect to collecting banks located in the State of New York, under Section 4-208 of the UCC;

(n) Liens (including the right of set-off) in favor of a bank or other depository institution arising as a matter of law encumbering deposits;

(o) Liens arising out of consignment or similar arrangements for the sale of goods entered into by a Borrower or any Subsidiary of a Borrower in the ordinary course of business;

(p) Liens in favor of customs and revenue authorities arising as a matter of law which secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(q) Liens on property subject to a Sale Leaseback Transaction permitted under Section 6.2(f) securing obligations of the Borrower Representative and/or its Subsidiaries under any lease entered into in connection with such Sale Leaseback Transaction;

(r) Liens solely on cash earnest money deposits made by the Borrower Representative or its Subsidiaries in connection with any letter of intent or purchase agreement in respect of any proposed Acquisition or other Investment permitted hereunder in an amount not to exceed $5,000,000 in the aggregate at any time outstanding;

(s) Liens on unearned insurance premiums securing the financing thereof to the extent permitted under Section 6.5(f);

(t) Liens securing Indebtedness permitted under Section 6.5(g); provided that (i) such Liens do not extend to any Property of the Borrower Representative or its Subsidiaries which does not constitute Collateral and (ii) such Liens are expressly subordinated to the Liens securing the Obligations on terms reasonably satisfactory to Agent;

(u) Liens on the Property of an Immaterial Subsidiary or Foreign Subsidiary securing Indebtedness of such Immaterial Subsidiary or Foreign Subsidiary, as applicable, permitted pursuant to Section 6.5(g) or 6.5(h);

(v) Liens on Property acquired pursuant to a Permitted Acquisition (or a similar Investment permitted by Section 6.4), or on Property of a Subsidiary of Borrower Representative in existence at the time such Subsidiary is acquired pursuant to a Permitted Acquisition (or a similar Investment permitted by Section 6.4); provided that (i) any Indebtedness that is secured by such Liens is permitted to exist under Section 6.5(k), and (ii) such Liens are not incurred in connection with, or in contemplation or anticipation of, such Permitted Acquisition (or other Investment) and do not attach to any Property of Borrower Representative or any of its other Subsidiaries;

(w) Liens on cash deposits of up to €750,000 (or the Dollar Equivalent thereof) made by the Borrower Representative or its Subsidiaries in connection with the leasing of vehicles in the ordinary course of business;

(x) Liens on cash deposits securing tax obligations outside the United States maintained in the ordinary course of business in an amount not to exceed the amount required to be maintained on deposit by the relevant taxing authorities rounded up to the nearest increment of $100,000; and

(y) other Liens securing obligations otherwise permitted hereunder not exceeding $1,000,000 in the aggregate.

6.2 Disposition of Assets. No Credit Party shall, and no Credit Party shall suffer or permit any of its Subsidiaries to, directly or indirectly Dispose of (whether in one or a series of transactions) any Property (including accounts and notes receivable, with or without recourse) except:

(a) Dispositions of Inventory, or used, damaged, worn out or surplus equipment or other Property, all in the ordinary course of business;

(b) Dispositions not otherwise permitted hereunder which are made for fair market value and the mandatory prepayment in the amount of the Net Proceeds of such disposition is made if and to the extent required by Section 2.8; provided, that (i) at the time of any Disposition, no Event of Default shall exist or shall result from such Disposition, (ii) the aggregate fair market value of all assets so sold by the Credit Parties and their Subsidiaries, together, shall not exceed in any Fiscal Year $2,500,000 and (iii) after giving effect to such Disposition, the Credit Parties are in compliance on a pro forma basis with the covenants set forth in Article VII, recomputed for the most recent fiscal period for which financial statements have been delivered (or are required to have been delivered) under Section 5.1;

(c) Dispositions of cash and Cash Equivalents;

(d) licenses, sublicenses, leases or subleases of Patents, Trademarks, Copyrights and other intellectual property rights granted to third parties in the ordinary course of business not interfering with the business of the Credit Parties or any of their Subsidiaries, either on a non-exclusive basis or on an exclusive basis where exclusivity is restricted to a limited field of use that does not prohibit Borrowers and their Subsidiaries, or any of them, from commercializing the intellectual property rights so licensed or leased in applications outside the limited field of use or in an application presently commercialized by the Borrowers and their Subsidiaries; provided, however that (i) the Agent has a perfected first priority (subject to Permitted Liens) security interest in each such license, sublicense, lease or sublease and (ii) no Default or Event of Default shall exist at the time any Credit Party or any of its Subsidiaries enter into any such license, sublicense, lease or sublease;

(e) licenses, sublicenses, leases or subleases of property other than intellectual property rights granted to third parties in the ordinary course of business not interfering with the business of the Credit Parties or any of their Subsidiaries;

(f) Dispositions of Property pursuant to a Sale Leaseback Transaction; provided, that (i) at the time of such Disposition, no Event of Default shall exist or result from such Disposition or Sale Leaseback Transaction, (ii) the aggregate fair market value of all Property so sold by the Credit Parties and their Subsidiaries, together, shall not exceed $2,500,000 during the term of this Agreement and (iii) after giving effect to the consummation of such Disposition and Sale Leaseback

Transaction, the Credit Parties are in compliance on a pro forma basis with the covenants set forth in Article VII, recomputed for the most recent fiscal period for which financial statements have been delivered (or are required to have been delivered) under Section 5.1;

(g) Dispositions consisting of the making of a Restricted Payment permitted pursuant to Section 6.11;

(h) Dispositions (i) between and among Credit Parties; provided, however, that the fair market value of all assets sold by Subsidiaries of Borrower Representative under this clause (i) to Borrower Representative shall not exceed $1,500,000 in the aggregate, (ii) between and among non-Credit Parties and (iii) from any non-Credit Party to any Credit Party; provided that to the extent the aggregate amount of any consideration paid by any Credit Party to a non-Credit Party in connection with any Disposition under this clause (iii) exceeds the fair market value of the property acquired, such excess shall be deemed an Investment and must be permitted under Section 6.4; and

(i) Dispositions specifically described on Schedule 6.2 to the Disclosure Letter.

6.3 Consolidations and Mergers. No Credit Party shall, and no Credit Party shall suffer or permit any of its Subsidiaries to, merge, consolidate with or into, dissolve or liquidate into or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except (a) any Subsidiary of the Borrower Representative may merge with, or dissolve or liquidate into, a Wholly-Owned Subsidiary of Borrower Representative which is a Domestic Subsidiary, provided that such Wholly-Owned Subsidiary which is a Domestic Subsidiary shall be the continuing or surviving entity, (b) any Foreign Subsidiary may merge with or dissolve or liquidate into another Foreign Subsidiary provided if a Foreign Subsidiary which is not an Excluded Foreign Subsidiary is a constituent entity in such merger, dissolution or liquidation, a Foreign Subsidiary which is not an Excluded Foreign Subsidiary shall be the continuing or surviving entity, (c) any Immaterial Subsidiary may merge with, or dissolve or liquidate into, the Borrower Representative, provided that the Borrower Representative shall be the continuing or surviving entity, (d) any Subsidiary of Borrower Representative may enter into a merger that is a Permitted Acquisition (or any similar Investment permitted under Section 6.4) or a Disposition permitted under Section 6.2 and (e) the Related Transactions and the Closing Date Acquisition may be consummated; provided further that the Borrower Representative shall provide written notice to Agent promptly upon the consummation of any transaction described above involving any Credit Party.

6.4 Loans and Investments. No Credit Party shall and no Credit Party shall suffer or permit any of its Subsidiaries to (i) purchase or acquire any Stock or Stock Equivalents, or any obligations or other securities of, or any interest in, any Person, including the establishment or creation of a Subsidiary, or (ii) make any Acquisitions or (iii) make any advance, loan, extension of credit or capital contribution to or any other investment in, any Person including any Affiliate of a Borrower or any Subsidiary of a Borrower (the items described in clauses (i), (ii) and (iii) are referred to as "Investments"), except for:

(a) Investments in cash and Cash Equivalents;

(b) extensions of credit by (i) any Credit Party to any other Credit Party, (ii) a Borrower or any Domestic Subsidiary of a Borrower to Foreign Subsidiaries or Immaterial Subsidiaries of a Borrower not to exceed $3,000,000 in the aggregate at any time outstanding for all such extensions of credit (including intercompany accounts receivable owed by Foreign Subsidiaries and Immaterial Subsidiaries except to the extent such intercompany accounts receivable constitutes trade payables entered into in the ordinary course of business) provided, if the extensions of credit described in foregoing clauses (i) and (ii) are evidenced by notes, such notes shall be pledged to the Agent, for

the benefit of the Secured Parties, and have such terms as the Agent may reasonably require and (iii) a Foreign Subsidiary of a Borrower to another Foreign Subsidiary of a Borrower;

(c) loans and advances to officers, directors, employees or consultants in the ordinary course of business not to exceed $250,000 in the aggregate at any time outstanding;

(d) Investments received as the non-cash portion of consideration received in connection with transactions permitted pursuant to Section 6.2;

(e) Investments acquired in connection with the settlement of delinquent Accounts in the ordinary course of business or in connection with the bankruptcy or reorganization of suppliers or customers;

(f) Investments existing on the Closing Date and set forth on Schedule 6.4 of the Disclosure Letter and any extensions, renewals or reinvestments thereof, so long as the aggregate amount of each such Investment is not increased at any time above the amount of such Investment on the Closing Date;

(g) the Closing Date Acquisition and any other Related Transactions (to the extent constituting Investments);

(h) Permitted Acquisitions (including related Investments in Subsidiaries of the Borrower Representative necessary in order to consummate a Permitted Acquisition);

(i) Investments arising as a result of the licensing of Intellectual Property in the ordinary course of business;

(j) Investments arising under Rate Contracts permitted under Section 6.9(b);

(k) Investments arising in connection with (i) endorsements for collection or deposit in the ordinary course of business, (ii) extensions of trade credit arising or acquired in the ordinary course of business and (iii) settlements in the ordinary course of business of such extensions of trade credit;

(l) Investments consisting of pledges and deposits permitted under Section 6.1(e), 6.1(n) or 6.1(r);

(m) Investments by Borrower Representative and its Subsidiaries in an aggregate amount (valued at the time of making thereof) equal to the Available Amount as of the applicable date of such Investment; provided all of the following conditions are satisfied:

(i) no Default or Event of Default shall have occurred and be continuing or would result therefrom; and

(ii) after giving effect to the consummation of such Investment, on a pro forma basis as of the last day of the most recently ended Fiscal Quarter for which financial statements have been delivered (or are required to have been delivered) pursuant to Section 5.1, the Credit Parties are in compliance with the covenants set forth in Article VII; and

(n) the ProCol Acquisition and PhotoFix Acquisition; provided that (i) such Acquisitions are funded solely with cash or Cash Equivalents and/or Stock or Stock Equivalents of

CryoLife (other than Disqualified Stock) and not through the incurrence of Indebtedness (including Revolving Loans) and (ii) no Default or Event of Default shall exist at the time of the consummation of such Acquisition; and

(o) other Investments in an aggregate amount (valued at the time of the making thereof) at any time outstanding not to exceed the greater of $3,000,000 and 1% of Consolidated Total Assets.

6.5 Limitation on Indebtedness. No Credit Party shall, and no Credit Party shall suffer or permit any of its Subsidiaries to, create, incur, assume, permit to exist, or otherwise become or remain directly or indirectly liable with respect to, any Indebtedness, except:

(a) Indebtedness incurred pursuant to this Agreement;

(b) Indebtedness consisting of Contingent Obligations described in clause (i) of the definition thereof and permitted pursuant to Section 6.9;

(c) Indebtedness existing on the Closing Date set forth on Schedule 6.5 of the Disclosure Letter including extensions and refinancings thereof which do not increase the principal amount of such Indebtedness as of the date of such extension or refinancing;

(d) Indebtedness not to exceed $3,000,000 in the aggregate at any time outstanding, consisting of Capital Lease Obligations or secured by Liens permitted by subsection 6.1(h) including extensions and refinancings thereof which do not increase the principal amount of such Indebtedness as of the date of such extension or refinancing;

(e) unsecured intercompany Indebtedness permitted pursuant to subsection 6.4(b);

(f) Indebtedness consisting of the financing of insurance premiums in the ordinary course of business;

(g) Subordinated Indebtedness and Contingent Acquisition Consideration in an aggregate amount not to exceed $10,000,000 at any time outstanding;

(h) Indebtedness of Immaterial Subsidiaries and Foreign Subsidiaries which are not Credit Parties in an aggregate amount not to exceed $3,000,000 at any time outstanding;

(i) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds or other cash management services, in each case, incurred in the ordinary course of business; provided that any such amount shall remain outstanding no longer than ten consecutive calendar days;

(j) Indebtedness consisting of promissory notes issued by Borrower Representative to any stockholder of Borrower Representative or any current or former director, officer, employee, member of management, manager or consultant of Borrower Representative or any subsidiary (or their respective immediate family members, estates or former spouses) to finance the purchase or redemption of Stock or Stock Equivalents permitted by Section 6.11(c);

(k) Indebtedness of a Subsidiary of Borrower Representative acquired pursuant to a Permitted Acquisition (or a similar Investment permitted by Section 6.4) or Indebtedness of a Target assumed at the time of a Permitted Acquisition of or such other Investment in such Target); provided that (i) such Indebtedness was not incurred in connection with, or in anticipation or contemplation of, such

Permitted Acquisition or other Investment and (ii) the aggregate principal amount of all Indebtedness permitted by this Section 6.5(k) shall not at any time outstanding exceed $3,000,000; and

(l) other Indebtedness not exceeding in the aggregate at any time outstanding $5,000,000.

6.6 Transactions with Affiliates. No Credit Party shall, and no Credit Party shall suffer or permit any of its Subsidiaries to, enter into any transaction with any Affiliate of Borrower Representative or of any such Subsidiary (other than, in each case, transactions between or among Credit Parties) or any director (or similar official) of any of the foregoing, except:

(a) as expressly permitted by this Agreement;

(b) in the ordinary course of business and pursuant to the reasonable requirements of the business of such Credit Party or such Subsidiary upon fair and reasonable terms no less favorable to such Credit Party or such Subsidiary than would be obtained in a comparable arm's length transaction with a Person not an Affiliate of Borrower Representative or such Subsidiary and, to the extent such transaction or series of transactions involves an aggregate amount in excess of $5,000,000 which are disclosed in advance in writing to Agent;

(c) any issuance of securities or other payments, awards or grants in cash or securities pursuant to, or the funding of, employments agreements and other compensation arrangements, options to purchase Stock of the Borrower Representative pursuant to restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefit plans, pension plans or similar plans or agreements or similar arrangements in each case approved by the board of directors of the Borrower Representative;

(d) the payment of reasonable and customary compensation (including fees, benefits, severance, change of control payments and incentive arrangements) to, and employee benefit arrangements, including, without limitation, split-dollar insurance policies, and indemnity or similar arrangements provided on behalf of directors, officers, employees and agents of the Borrower Representative or its Subsidiaries, whether by charter, bylaw, statutory or contractual provisions;

(e) transactions pursuant to an agreement in existence at the time the applicable Credit Party or Subsidiary party to such transactions is acquired pursuant to a Permitted Acquisition (or a similar Investment permitted by Section 6.4); provided that such agreement was not entered into in contemplation of such Permitted Acquisition (or other Investment), or any amendment thereto (so long as such amendment is not less favorable in any material respect to such Credit Party or Subsidiary, when taken as a whole); and

(f) any issuance or sale of Stock (other than Disqualified Stock) to Affiliates of the Credit Parties and the granting of registration and other customary rights in connection therewith or any contribution to the Stock of the Borrower Representative or any Subsidiary.

6.7 Management Fees and Compensation. No Credit Party shall, and no Credit Party shall permit any of its Subsidiaries to, pay any management, consulting or similar fees to any Affiliate of any Credit Party or to any officer, director or employee of any Credit Party or any Affiliate of any Credit Party except payment of reasonable compensation to officers and employees for actual services rendered to the Credit Parties and their Subsidiaries in the ordinary course of business.

6.8 Use of Proceeds. No Credit Party shall, and no Credit Party shall suffer or permit any of its Subsidiaries to, use any portion of the Loan proceeds, directly or indirectly, to purchase or carry Margin Stock or repay or otherwise refinance Indebtedness of any Credit Party or others incurred to purchase or

carry Margin Stock, or otherwise in any manner which is in contravention of any Requirement of Law or in violation of this Agreement.

6.9 Contingent Obligations. No Credit Party shall, and no Credit Party shall suffer or permit any of its Subsidiaries to, create, incur, assume or suffer to exist any Contingent Obligations except in respect of the Obligations and except:

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

(b) Rate Contracts entered into in the ordinary course of business for bona fide hedging purposes and not for speculation;

(c) Contingent Obligations of the Credit Parties and their Subsidiaries existing as of the Closing Date and set forth on Schedule 6.9 of the Disclosure Letter, including extension and renewals thereof which do not increase the amount of such Contingent Obligations as of the date of such extension or renewal;

(d) Contingent Obligations incurred in the ordinary course of business with respect to surety and appeal bonds, performance bonds and other similar obligations;

(e) Contingent Obligations arising under indemnity agreements to title insurers to cause such title insurers to issue to the Agent title insurance policies;

(f) Contingent Obligations arising with respect to customary indemnification obligations in favor of (i) sellers in connection with acquisitions permitted hereunder, (ii) purchasers in connection with dispositions permitted under subsection 6.2(b), and (iii) contracts and license agreements entered into in the ordinary course of business;

(g) Contingent Obligations arising under Letters of Credit;

(h) Contingent Obligations arising under guarantees made in the ordinary course of business of obligations not constituting Indebtedness of (i) any Credit Party otherwise permitted hereunder or (ii) any Subsidiary of Borrower Representative which is not a Credit Party otherwise permitted hereunder so long as the aggregate amount of obligations of such Subsidiaries guaranteed under this clause (ii) shall not exceed $2,500,000 in the aggregate; provided that if such obligation is subordinated to the Obligations, such guarantee shall be subordinated to the same extent;

(i) Contingent Obligations arising under guarantees of Indebtedness of Borrower Representative or any of its Subsidiaries provided that such Indebtedness is otherwise permitted hereunder;

(j) Contingent Obligations for royalty obligations in connection with license, sublicense or royalty agreements entered into by a Credit Party pursuant to subsection 6.2(d); and

(k) other Contingent Obligations not exceeding $1,000,000 in the aggregate at any time outstanding.

6.10 Compliance with ERISA. No ERISA Affiliate shall cause or suffer to exist (a) any event arising with respect to any Title IV Plan or Multiemployer Plan that could result in the imposition of a Lien on any asset of a Credit Party or a Subsidiary of a Credit Party or (b) any other ERISA Event, that would, individually or in the aggregate, have a Material Adverse Effect. No Credit Party shall cause or suffer to

exist any event arising with respect to any Benefit Plan that could result in the imposition of a Lien on any asset of a Credit Party or any Subsidiary of a Credit Party.

6.11 Restricted Payments. No Credit Party shall, and no Credit Party shall suffer or permit any of its Subsidiaries to, (i) declare or make any dividend payment or other distribution of assets, properties, cash, rights, obligations or securities on account of any Stock or Stock Equivalents, (ii) purchase, redeem or otherwise acquire for value any Stock or Stock Equivalents now or hereafter outstanding or (iii) make any payment or prepayment of principal of, premium, if any, interest, fees, redemption, exchange, purchase, retirement, defeasance, sinking fund or similar payment with respect to, Indebtedness subordinated to the Obligations (the items described in clauses (i), (ii) and (iii) above are referred to as "Restricted Payments"); except that:

(a) any Subsidiary of Borrower Representative may declare and pay dividends to the holders of its Stock and Stock Equivalents on a pro rata basis;

(b) CryoLife may declare and make dividend payments or other distributions payable solely in its Stock or Stock Equivalents;

(c) the Borrowers may redeem from officers, directors and employees Stock and Stock Equivalents provided all of the following conditions are satisfied:

(i) no Default or Event of Default has occurred and is continuing or would arise as a result of such Restricted Payment;

(ii) after giving effect to such Restricted Payment, the Credit Parties are in compliance on a pro forma basis with the covenants set forth in Article VII, recomputed for the most recent fiscal period for which financial statements have been delivered pursuant to Section 5.1(b);

(iii) Restricted Payments under this clause (c) made for the purpose of funding estimated tax liabilities or withholding tax incurred by officers, directors and employees as a result of awards or exercises of Stock or Stock Equivalents (or as a result of the vesting of the same) shall not exceed (x) $15,000,000 in the aggregate after the Closing Date, or (y) $6,000,000 in any Fiscal Year;

(iv) the aggregate Restricted Payments under this clause (c) (other than those described in subclause (iii) above) permitted in any Fiscal Year of the Borrowers shall not exceed $300,000;

(d) Restricted Payments consisting of Dispositions permitted pursuant to Section 6.2(h);

(e) repurchases or other acquisitions of Stock deemed to occur upon the exercise of stock options, warrants, restricted stock units or other rights to purchase Stock or other convertible securities if such Stock represents a portion of the exercise price thereof or conversion price thereof;

(f) Borrower Representative may make Restricted Payments not otherwise permitted to be made by this Section 6.11 in an aggregate amount not to exceed the Available Amount as of the applicable date of such Restricted Payments; provided, that all of the following conditions are satisfied:

(i) no Default or Event of Default shall have occurred and be continuing or would result therefrom; and

(ii) after giving effect to such Restricted Payment, on a pro forma basis as of the last day of the most recently ended Fiscal Quarter for which financial statements have been delivered (or are required to have been delivered) pursuant to Section 5.1 (x) the Credit Parties are in compliance with the covenants set forth in Article VII and (y) the Leverage Ratio is not greater than 2.75 to 1.00;

; provided further that dividends paid under this clause (f) within 90 days after the date of declaration shall be permitted to be paid notwithstanding a failure to satisfy the conditions set forth in clauses (i) or (ii) above so long as such conditions were satisfied on the date of such declaration;

(g) cash payments in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Stock of the Borrower Representative or other exchanges of securities of the Borrower Representative or its Subsidiaries in exchange for Stock of the Borrower Representative;

(h) in connection with any merger, consolidation or other acquisition by the Borrower Representative or any of its Subsidiaries (x) the receipt or acceptance of the return to the Borrower Representative or any of its Subsidiaries of Stock of the Borrower Representative constituting a portion of the purchase price consideration in settlement of indemnification claims, or as a result of a purchase price adjustment (including earn outs or similar obligations) and (y) payments or distributions to equity holders pursuant to appraisal rights required under applicable law;

(i) the distribution of rights pursuant to any shareholder rights plan or the redemption of such for nominal consideration in accordance with the terms of any shareholder rights plan; and

(j) other Restricted Payments not described above in an aggregate amount not to exceed $1,000,000.

6.12 Change in Business. No Credit Party shall, and no Credit Party shall permit any of its Subsidiaries to, engage in any line of business substantially different from those lines of business carried on by it on the Closing Date and any business reasonably complementary or ancillary thereto.

6.13 Change in Structure. Except as expressly permitted under Section 6.3, no Credit Party (other than CryoLife) shall, and no Credit Party shall permit any of its Subsidiaries to, make any material changes in its equity capital structure (including in the terms of its outstanding Stock or Stock Equivalents), or amend any of its Organization Documents in any respect materially adverse to the Agent or Lenders.

6.14 Accounting Changes, Name and Jurisdiction of Organization. No Credit Party shall, and no Credit Party shall suffer or permit any of its Subsidiaries to, (i) make any significant change in accounting treatment or reporting practices, except as required by GAAP, (ii) change the Fiscal Year or method for determining Fiscal Quarters of any Credit Party or of any consolidated Subsidiary of any Credit Party, (iii) change its name as it appears in official filings in its jurisdiction of organization or (iv) change its jurisdiction of organization or formation, in the case of clauses (iii) and (iv), without at least twenty (20) days' prior written notice to Agent.

6.15 No Negative Pledges. No Credit Party shall, and no Credit Party shall permit any of its Subsidiaries to, directly or indirectly, (a) create or otherwise cause or suffer to exist or become effective any

consensual restriction or encumbrance of any kind on the ability of any such Subsidiary to pay dividends or make any other distribution on any of such Subsidiary's Stock or Stock Equivalents or to pay fees, including management fees, or make other payments and distributions to the Borrower Representative or any of its Subsidiaries or (b) enter into, assume or become subject to any Contractual Obligation prohibiting or otherwise restricting the existence of any Lien upon any of its assets in favor of the Agent, whether now owned or hereafter acquired, in each case except:

(i) in connection with any document or instrument governing Liens permitted pursuant to subsections 6.1(h), 6.1(i), 6.1(u), 6.1(v), 6.1(w) and 6.1(x); provided that any such restriction contained therein relates only to the asset or assets subject to such permitted Liens;

(ii) restrictions or encumbrances in Contractual Obligations in effect on the Closing Date and set forth on Schedule 6.15 to the Disclosure Letter, including any renewals or extensions thereof so long as the scope of such encumbrance or restriction is not expanded;

(iii) restrictions or encumbrances imposed pursuant to any agreement entered into for the purposes of effecting a Disposition permitted under Section 6.2; provided that any such restriction or encumbrance relates only to the asset or assets (which may include Stock or Stock Equivalents) subject to such permitted Disposition;

(iv) restrictions or encumbrances contained in leases or licenses of Intellectual Property entered into in the ordinary course of business; provided that any such restriction or encumbrance relates only to the Intellectual Property which is the subject of such lease or license;

(v) customary provisions restricting subletting or assignment of any lease governing a leasehold interest;

(vi) customary net worth provisions contained in Real Estate leases; provided that such net worth provisions would not reasonably be expected to impair the ability of the Borrowers and their Subsidiaries to meet their ongoing obligations;

(vii) restrictions pursuant to an agreement in existence at the time the applicable Credit Party or Subsidiary party to such agreement is acquired pursuant to a Permitted Acquisition (or a similar Investment permitted by Section 6.4); provided that such agreement was not entered into in contemplation of such Permitted Acquisition (or other Investment); and

(viii) restrictions on cash or other deposits required to be maintained by customers in the ordinary course of business.

6.16 OFAC; Patriot Act; Anti-Corruption Laws. No Credit Party shall, and no Credit Party shall permit any of its Subsidiaries to fail to comply with the laws, regulations and executive orders referred to in Section 4.22. No Credit Party or Subsidiary, nor to the knowledge of the Credit Party, any director, officer, agent, employee, or other person acting on behalf of the Credit Party or any Subsidiary, will use the proceeds of any Loan, directly or indirectly, for any payments to any Person, including any government 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, or otherwise take any action, directly or indirectly, that would result in a violation of any Anti-Corruption Laws. Furthermore, the Credit Parties will not, directly or

indirectly, use the proceeds of the transaction, or lend, contribute or otherwise make available such proceeds to any Subsidiary, Affiliate, joint venture partner or other Person, to fund any activities of or business with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any Person participating in the transaction of any Sanctions.

6.17 Press Release and Related Matters. No Credit Party shall, and no Credit Party shall permit any of its Affiliates to, issue any press release or other public disclosure (other than any document filed with any Governmental Authority relating to a public offering of securities of any Credit Party) using the name, logo or otherwise referring to HFS or of any of its Affiliates, the Loan Documents or any transaction contemplated therein to which the Agent is party without the prior consent of HFS except to the extent required to do so under applicable Requirements of Law and then, only after consulting with HFS prior thereto.

6.18 Sale-Leaseback Transactions. No Credit Party shall, and no Credit Party shall permit any of its Subsidiaries to, engage in a Sale Leaseback Transaction, synthetic lease or similar transaction involving any of its assets except to the extent expressly permitted under Section 6.2(f).

6.19 Hazardous Materials. No Credit Party shall, and no Credit Party shall permit any of its Subsidiaries to, cause or suffer to exist any Release of any Hazardous Material at, to or from any Real Estate that would violate or form the basis of Liability under any Environmental Law or form the basis for any other Environmental Liabilities, other than such violations or Environmental Liabilities that would not, in the aggregate, have a Material Adverse Effect.

6.20 Financial Advisors. The Credit Parties shall not, and shall not cause or permit their Subsidiaries to, retain the services of a financial advisor or investment bank pursuant to an arrangement providing for the payment of a success fee, contingency fee or completion fee in connection with a restructuring or reorganization of the Credit Parties' liabilities without the prior written consent of Agent. For the avoidance of doubt, this Section 6.20 does not apply to financial advisors or investment banks retained in connection with any acquisition or contemplated acquisition.

6.21 Amendments to Certain Indebtedness. No Credit Party shall, and no Credit Party shall permit any of its Subsidiaries directly or indirectly to, change or amend the terms of any Subordinated Indebtedness except to the extent permitted by the applicable subordination agreement or subordination terms.

ARTICLE VII

FINANCIAL COVENANTS

Each Credit Party covenants and agrees that until the Facility Termination Date:

7.1 Leverage Ratio. The Credit Parties shall not permit the Leverage Ratio for the twelve month period ending as of any date to be greater than the maximum ratio set forth in the table below opposite such date:

Date	Maximum Leverage Ratio
March 31, 2016	3.50:1.00
June 30, 2016	3.50:1.00
September 30, 2016	3.50:1.00
December 31, 2016	3.50:1.00
March 31, 2017	3.25:1.00
June 30, 2017	3.25:1.00
September 30, 2017	3.00:1.00

December 31, 2017 and the end of each Fiscal Quarter thereafter:	2.75:1.00

"Leverage Ratio" shall be calculated in the manner set forth in Exhibit 5.2(b).

7.2 Interest Coverage Ratio. The Credit Parties shall not suffer or permit the Interest Coverage Ratio for the twelve fiscal month period ending on the last day of any Fiscal Quarter to be less than 3.00:1.00. "Interest Coverage Ratio" shall be calculated in the manner set forth in Exhibit 5.2(b).

7.3 Equity Cure. In the event the Credit Parties fail to comply with the financial covenants set forth in this Article VII as of the last day of any Fiscal Quarter, any cash equity financing raised by Borrower Representative (in the form of common equity or other equity having terms reasonably acceptable to Agent and in any case, not constituting Disqualified Stock) after the last day of such Fiscal Quarter and on or prior to the day that is thirty (30) days after the day on which financial statements are required to be delivered for that Fiscal Quarter will, at the irrevocable election of Borrower Representative, be included in the calculation of EBITDA solely for the purposes of determining compliance with such covenants in this Article VII at the end of such Fiscal Quarter (each, a "**Cure Quarter**") and any subsequent period that includes such Cure Quarter (any such equity raise so included in the calculation of EBITDA, a "**Specified Equity Raise**"); provided that (a) notice of Borrowers' intent to utilize a Specified Equity Raise shall be delivered by Borrower Representative no later than the day on which financial statements are required to be delivered for the applicable Fiscal Quarter, (b) in each consecutive four (4) Fiscal Quarter period there will be at least two (2) Fiscal Quarters in which no Specified Equity Raise is made, (c) no amount raised in excess of the amount required to cause the Credit Parties to be in compliance with such financial covenants (the "**Cure Amount**") shall constitute any portion of such "Specified Equity Raise" for any purpose hereunder (i.e. the definition of "Specified Equity Raise" shall not include any amount raised in excess of the Cure Amount), (d) all Specified Equity Raises will be disregarded for purposes of the calculation of EBITDA for all other purposes, including calculating basket levels, pricing, determining compliance with incurrence based or pro forma calculations or conditions and any other items governed by reference to EBITDA, (e) there shall be no more than five (5) Specified Equity Raises made in the aggregate after the Closing Date, (f) the proceeds received by Borrowers from all Specified Equity Raises (but not any such proceeds in excess of the applicable Cure Amount) shall be promptly used by Borrowers to prepay Term Loans, and (g) there shall be no reduction in Consolidated Total Indebtedness (through either netting of cash or prepayment of indebtedness) in connection with any Specified Equity Raise (or the application of the proceeds thereof) for determining compliance with each financial covenant under Article VII for the period ending on the last day of the applicable Cure Quarter; *provided further* that there shall be no deleveraging credit for the prepayment of Revolving Loans to the extent such Revolving Loans are borrowed in future periods).

Upon Agent's receipt of notice from Borrower Representative of its intent to utilize a Specified Equity Raise pursuant to this Section 7.3 no later than the day on which financial statements are required to be delivered for the applicable Fiscal Quarter, then, until the day that is thirty (30) days after such date, (i) any Event of Default arising under Sections 7.1 or 7.2 in respect of the period ending on the last day of such Fiscal Quarter (the "**Specified Defaults**") shall be deemed not to exist, (ii) neither Agent nor any Lender shall exercise (or attempt to exercise) the right to accelerate the Loans or terminate the Commitments and (ii) neither Agent nor any Lender shall exercise (or attempt to exercise) any right to foreclose on or take possession of the Collateral, in each case solely on the basis of the Specified Defaults; provided, however that notwithstanding the foregoing, until the proceeds of such Specified Equity Raise are received by the Borrower Representative and used to prepay the Term Loans in accordance with clause (f) above, no Lender or L/C Issuer shall be obligated to fund any Revolving Loan or incur any Letter of Credit Obligation if the Agent or Required Revolving Lenders have determined not to fund such Revolving Loan or incur such Letter of Credit Obligation as a result of the Specified Defaults. If the Specified Equity Raise and prepayment take

place in satisfaction of the requirements set forth above, then the Borrowers shall be deemed to have satisfied the requirements of the applicable covenants set forth in Article VII as of the applicable date of determination with the same effect as though there had been no failure to comply therewith at such date.

ARTICLE VIII

EVENTS OF DEFAULT

8.1 Event of Default. Any of the following shall constitute an "**Event of Default**":

(a) Non-Payment. Any Credit Party fails (i) to pay when and as required to be paid herein, any amount of principal of any Loan, including after maturity of the Loans, or to pay any L/C Reimbursement Obligation or (ii) to pay within three (3) Business Days after the same shall become due, interest on any Loan, any fee or any other amount payable hereunder or pursuant to any other Loan Document; or

(b) Representation or Warranty. Any representation, warranty or certification by or on behalf of any Credit Party or any of its Subsidiaries made or deemed made herein, in any other Loan Document, or which is contained in any certificate, document or financial or other statement by any such Person, or their respective Responsible Officers, furnished at any time under this Agreement, or in or under any other Loan Document, shall prove to have been incorrect in any material respect (or in any respect if such representation or warranty is qualified by "material" or "Material Adverse Effect") when made or deemed made; or

(c) Specific Defaults. Any Credit Party fails to perform or observe any term, covenant or agreement contained in any of Sections 5.1, 5.2(b), 5.3(a), 5.6, 5.9(a)-(c), Article VI or Article VII hereof (subject to Section 7.3) or any Fee Letter; or

(d) Other Defaults. Any Credit Party or Subsidiary of any Credit Party fails to perform or observe any other term, covenant or agreement contained in this Agreement or any other Loan Document, and such default shall continue unremedied for a period of thirty (30) days after the earlier to occur of (i) the date upon which a Responsible Officer of any Credit Party becomes aware of such default and (ii) the date upon which written notice thereof is given to Borrower Representative by Agent or Required Lenders; or

(e) Cross-Default. Any Credit Party or any Subsidiary of any Credit Party (i) fails to make any payment in respect of any Indebtedness (other than the Obligations) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than $2,500,000 when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) and such failure continues after the applicable grace or notice period, if any, specified in the document relating thereto on the date of such failure; or (ii) fails to perform or observe any other condition or covenant, or any other event shall occur or condition exist, under any agreement or instrument relating to any such Indebtedness, if the effect of such failure, event or condition is to cause, or to permit the holder or holders of such Indebtedness or beneficiary or beneficiaries of such Indebtedness (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause such Indebtedness to be declared to be due and payable prior to its stated maturity (without regard to any subordination terms with respect thereto) or cash collateral in respect thereof to be demanded; provided, that, this clause (ii) shall not apply to secured Indebtedness that becomes due as a result of the sale, transfer or other Disposition (including as a result of a casualty or condemnation event) of the property or assets securing such Indebtedness (to the extent such sale,

transfer or other Disposition is not prohibited under this Agreement and such Indebtedness is repaid in accordance with its terms); or

(f) Insolvency; Voluntary Proceedings. A Borrower, individually, ceases or fails, or the Credit Parties and their Subsidiaries on a consolidated basis, cease or fail, to be Solvent, or any Credit Party or any Subsidiary of any Credit Party (other than any Immaterial Subsidiary): (i) generally fails to pay, or admits in writing its inability to pay, its debts as they become due, subject to applicable grace periods, if any, whether at stated maturity or otherwise; (ii) voluntarily ceases to conduct its business in the ordinary course; (iii) commences any Insolvency Proceeding with respect to itself; or (iv) takes any action to effectuate or authorize any of the foregoing; or

(g) Involuntary Proceedings. (i) Any involuntary Insolvency Proceeding is commenced or filed against any Credit Party or any Subsidiary of any Credit Party (other than any Immaterial Subsidiary), or any writ, judgment, warrant of attachment, execution or similar process, is issued or levied against a substantial part of any such Person's Properties, and any such proceeding or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not be released, vacated or fully bonded within sixty (60) days after commencement, filing or levy; (ii) any Credit Party or any Subsidiary of any Credit Party (other than any Immaterial Subsidiary) admits the material allegations of a petition against it in any Insolvency Proceeding, or an order for relief (or similar order under non-U.S. law) is ordered in any Insolvency Proceeding; or (iii) any Credit Party or any Subsidiary of any Credit Party (other than any Immaterial Subsidiary) acquiesces in the appointment of a receiver, trustee, custodian, conservator, liquidator, mortgagee in possession (or agent therefor), or other similar Person for itself or a substantial portion of its Property or business; or

(h) Monetary Judgments. One or more judgments, non-interlocutory orders, decrees or arbitration awards shall be entered against any one or more of the Credit Parties or any of their respective Subsidiaries involving in the aggregate a liability (to the extent not covered by independent third-party insurance) as to any single or related series of transactions, incidents or conditions, of $2,500,000 or more, and the same shall remain unsatisfied, unvacated and unstayed pending appeal for a period of thirty (30) days after the entry thereof; or

(i) Non-Monetary Judgments. One or more non-monetary judgments, orders or decrees shall be rendered against any one or more of the Credit Parties or any of their respective Subsidiaries (other than any Immaterial Subsidiary) which has or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, and there shall be any period of ten (10) consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(j) Collateral. Any material provision of any Loan Document shall for any reason cease to be valid and binding on or enforceable against any Credit Party or any Subsidiary of any Credit Party party thereto or any Credit Party or any Subsidiary of any Credit Party shall so state in writing or bring an action to limit its obligations or liabilities thereunder; or any Collateral Document shall for any reason (other than pursuant to the terms thereof) cease to create a valid security interest in the Collateral purported to be covered thereby or such security interest shall for any reason (other than the failure of Agent to take any action within its control) cease to be a perfected and first priority security interest subject only to Permitted Liens; or

(k) Ownership. The occurrence of one or more of the following events: (i) any sale, lease, exchange or other transfer (in a single transaction or a series of related transactions) of all or substantially all of the assets of CryoLife and its Subsidiaries, taken as a whole, to any Person or "group" (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder in effect on the date hereof) or (ii) the acquisition of

ownership, directly or indirectly, beneficially or of record, by any Person or "group" (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the date hereof) of 35% or more of the outstanding shares of the voting stock of CryoLife; or

(l) Government Authorities. FDA or any other Governmental Authority initiates enforcement action against any Credit Party or any Subsidiary of any Credit Party that causes such Credit Party or Subsidiary to discontinue marketing any of its products; or any Credit Party or any Subsidiary of any Credit Party conducts a recall which could reasonably be expected to have a Material Adverse Effect; or any Credit Party or any of its Subsidiaries enters into a settlement agreement with a Governmental Authority that results in aggregate liability as to any single or related series of transactions, incidents or conditions, of $2,500,000 or more, or could reasonably be expected to have a Material Adverse Effect.

8.2 Remedies. Upon the occurrence and during the continuance of any Event of Default, Agent may, and shall at the request of the Required Lenders:

(a) declare all or any portion of any one or more of the Commitments of each Lender to make Loans or of the L/C Issuer to Issue Letters of Credit to be suspended or terminated, whereupon all or such portion of such Commitments shall forthwith be suspended or terminated;

(b) declare all or any portion of the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable; without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by each Credit Party; and/or

(c) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents or applicable law;

provided, however, that upon the occurrence of any event specified in subsection 8.1(f) or 8.1(g) above (in the case of clause (i) of subsection 8.1(g) upon the expiration of the sixty (60) day period mentioned therein), the obligation of each Lender to make Loans and the obligation of the L/C Issuer to Issue Letters of Credit shall automatically terminate and the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable without further act of Agent, any Lender or the L/C Issuer.

8.3 Rights Not Exclusive. The rights provided for in this Agreement and the other Loan Documents are cumulative and are not exclusive of any other rights, powers, privileges or remedies provided by law or in equity, or under any other instrument, document or agreement now existing or hereafter arising.

8.4 Cash Collateral for Letters of Credit. If an Event of Default has occurred and is continuing, this Agreement (or the Revolving Loan Commitment) shall be terminated for any reason or if otherwise required by the terms hereof, Agent may, and upon request of Required Revolving Lenders, shall, demand (which demand shall be deemed to have been delivered automatically upon any acceleration of the Loans and other obligations hereunder pursuant to Section 8.2 hereof), and the Borrowers shall thereupon deliver to Agent, to be held for the benefit of the L/C Issuer, Agent and the Lenders entitled thereto, an amount of cash equal to 103% of the amount of Letter of Credit Obligations as additional collateral security for Obligations in respect of any outstanding Letter of Credit. Agent may at any time apply any or all of such cash and cash collateral to the payment of any or all of the Credit Parties' Obligations in respect of any Letters of Credit.

Pending such application, Agent may (but shall not be obligated to) invest the same in an interest bearing account in Agent's name, for the benefit of the L/C Issuers, Agent and the Lenders entitled thereto, under which deposits are available for immediate withdrawal, at such bank or financial institution as the L/C Issuer and Agent may, in their discretion, select.

ARTICLE IX

AGENT

9.1 Appointment and Duties.

(a) Appointment of Agent. Each Secured Party hereby appoints HFS (together with any successor Agent pursuant to Section 9.9) as Agent hereunder and authorizes Agent to (i) execute and deliver the Loan Documents and accept delivery thereof on its behalf from any Credit Party, (ii) take such other actions on its behalf and to exercise all rights, powers and remedies and perform the duties as are expressly delegated to Agent under such Loan Documents and (iii) exercise such powers as are reasonably incidental thereto. Without limiting the generality of the foregoing, each Secured Party further consents to and authorizes Agent's execution and delivery of any intercreditor or subordination agreement from time to time as contemplated by the terms hereof on behalf of such Secured Party and agrees to be bound by the terms and provisions thereof, including any purchase option contained therein.

(b) Duties as Collateral and Disbursing Agent. Without limiting the generality of clause (a) above, Agent shall have the sole and exclusive right and authority (to the exclusion of the Secured Parties), and is hereby authorized, to (i) act as the disbursing and collecting agent for the Lenders and the L/C Issuers with respect to all payments and collections arising in connection with the Loan Documents (including in any proceeding described in subsections 8.1(f) or 8.1(g) or any other bankruptcy, insolvency or similar proceeding), and each Person making any payment in connection with any Loan Document to any Secured Party is hereby authorized to make such payment to Agent, (ii) file and prove claims and file other documents necessary or desirable to allow the claims of the Secured Parties with respect to any Obligation in any proceeding described in Section 8.1(f) or 8.1(g) or any other bankruptcy, insolvency or similar proceeding (but not to vote, consent or otherwise act on behalf of such Person), (iii) act as collateral agent for each Secured Party for purposes of the perfection of all Liens created by such agreements and all other purposes stated therein, (iv) manage, supervise and otherwise deal with the Collateral, (v) take such other action as is necessary or desirable to maintain the perfection and priority of the Liens created or purported to be created by the Loan Documents, (vi) except as may be otherwise specified in any Loan Document, exercise all remedies given to Agent and the other Secured Parties with respect to the Collateral, whether under the Loan Documents, applicable Requirements of Law or otherwise and (vii) execute any amendment, consent or waiver under the Loan Documents on behalf of any Lender that has consented in writing to such amendment, consent or waiver; provided, however, that Agent hereby appoints, authorizes and directs each Secured Party to act as collateral sub-agent for Agent, the Secured Parties for purposes of the perfection of all Liens with respect to the Collateral, including any deposit account maintained by a Credit Party with, and cash and Cash Equivalents held by, such Secured Party, and may further authorize and direct the Secured Parties to take further actions as collateral sub-agents for purposes of enforcing such Liens or otherwise to transfer the Collateral subject thereto to Agent, and each Secured Party hereby agrees to take such further actions to the extent, and only to the extent, so authorized and directed.

(c) Limited Duties. Under the Loan Documents, Agent (i) is acting solely on behalf of the Secured Parties (except to the limited extent provided in subsection 2.4(b) with respect to the Register), with duties that are entirely administrative in nature, notwithstanding the use of the defined term "Agent", the terms "agent", "Agent" and "collateral agent" and similar terms in any Loan Document to refer to Agent, which terms are used for title purposes only, (ii) is not assuming

any obligation under any Loan Document other than as expressly set forth therein or any role as agent, fiduciary or trustee of or for any Lender, L/C Issuer or any other Person and (iii) shall have no implied functions, responsibilities, duties, obligations or other liabilities under any Loan Document, and each Lender and L/C Issuer hereby waives and agrees not to assert any claim against the Agent based on the roles, duties and legal relationships expressly disclaimed in clauses (i) through (iii) above.

9.2 Binding Effect. Each Secured Party, by accepting the benefits of the Loan Documents, agrees that (i) any action taken (or omitted to be taken) by Agent or the Required Lenders (or, if expressly required hereby, a greater proportion of the Lenders) in accordance with the provisions of the Loan Documents, (ii) any action taken (or omitted to be taken) by Agent in reliance upon the instructions of Required Lenders (or, where so required, such greater proportion) and (iii) the exercise by Agent or the Required Lenders (or, where so required, such greater proportion) of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Secured Parties.

9.3 Use of Discretion.

(a) No Action without Instructions. Agent shall not be required to exercise any discretion or take, or to omit to take, any action, including with respect to enforcement or collection, except any action it is required to take or omit to take (i) under any Loan Document or (ii) pursuant to instructions from the Required Lenders (or, where expressly required by the terms of this Agreement, the Required Revolving Lenders or a greater proportion of the Lenders).

(b) Right Not to Follow Certain Instructions. Notwithstanding clause (a) above, Agent shall not be required to take, or to omit to take, any action (i) unless, upon demand, Agent receives an indemnification satisfactory to it from the Lenders (or, to the extent applicable and acceptable to Agent, any other Person) against all Liabilities that, by reason of such action or omission, may be imposed on, incurred by or asserted against Agent or any Related Person thereof or (ii) that is, in the opinion of Agent or its counsel, contrary to any Loan Document or applicable Requirement of Law.

(c) Exclusive Right to Enforce Rights and Remedies. Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Credit Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, Agent in accordance with the Loan Documents for the benefit of all the Secured Parties; provided that the foregoing shall not prohibit (i) Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Agent) hereunder and under the other Loan Documents, (ii) each of the L/C Issuer and the Swingline Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer or Swingline Lender, as the case may be) hereunder and under the other Loan Documents, (iii) any Lender from exercising setoff rights in accordance with Section 10.11 and this Section 9.3 or (iv) any Secured Party from filing proofs of claim (and thereafter appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Credit Party under any bankruptcy or other debtor relief law), but in the case of this clause (iv) if, and solely if, Agent has not filed such proof of claim or other instrument of similar character in respect of the Obligations within five (5) days before the expiration of the time to file the same; provided further that if at any time there is no Person acting as Agent hereunder and under the other Loan Documents, then (A) the Required Lenders shall have the rights otherwise ascribed to Agent pursuant to Section 8.2 and (B) in addition to the matters set forth in clauses (ii), (iii) and (iv) of the

preceding proviso and subject to Section 10.11, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

9.4 Delegation of Rights and Duties. Agent may, upon any term or condition it specifies, delegate or exercise any of its rights, powers and remedies under, and delegate or perform any of its duties or any other action with respect to, any Loan Document by or through any trustee, co-agent, employee, attorney-in-fact and any other Person (including any Secured Party). Any such Person shall benefit from this Article IX to the extent provided by Agent.

9.5 Reliance and Liability. Agent may, without incurring any liability hereunder, (i) treat the payee of any Note as its holder until such Note has been assigned in accordance with Section 10.9, (ii) rely on the Register to the extent set forth in Section 2.4, (iii) consult with any of its Related Persons and, whether or not selected by it, any other advisors, accountants and other experts (including advisors to, and accountants and experts engaged by, any Credit Party) and (iv) rely and act upon any document and information (including those transmitted by Electronic Transmission) and any telephone message or conversation, in each case believed by it to be genuine and transmitted, signed or otherwise authenticated by the appropriate parties.

(a) None of Agent and its Related Persons shall be liable for any action taken or omitted to be taken by any of them under or in connection with any Loan Document, and each Secured Party, each Borrower and each other Credit Party hereby waive and shall not assert (and each Borrowers shall cause each other Credit Party to waive and agree not to assert) any right, claim or cause of action based thereon, except to the extent of liabilities resulting primarily from the gross negligence or willful misconduct of Agent or, as the case may be, such Related Person (each as determined in a final, non-appealable judgment by a court of competent jurisdiction) in connection with the duties expressly set forth herein. Without limiting the foregoing, Agent and its Related Persons:

(i) shall not be responsible or otherwise incur liability for any action or omission taken in reliance upon the instructions of the Required Lenders or for the actions or omissions of any of its Related Persons selected with reasonable care (other than employees, officers and directors of Agent, when acting on behalf of Agent);

(ii) shall not be responsible to any Secured Party or other Person for the due execution, legality, validity, enforceability, effectiveness, genuineness, sufficiency or value of, or the attachment, perfection or priority of any Lien created or purported to be created under or in connection with, any Loan Document;

(iii) makes no warranty or representation, and shall not be responsible, to any Secured Party or other Person for any statement, document, information, representation or warranty made or furnished by or on behalf of any Credit Party or any Related Person of any Credit Party in connection with any Loan Document or any transaction contemplated therein or any other document or information with respect to any Credit Party, whether or not transmitted or (except for documents expressly required under any Loan Document to be transmitted to the Lenders) omitted to be transmitted by Agent, including as to completeness, accuracy, scope or adequacy thereof, or for the scope, nature or results of any due diligence performed by Agent in connection with the Loan Documents; and

(iv) shall not have any duty to ascertain or to inquire as to the performance or observance of any provision of any Loan Document, whether any condition set forth in any Loan Document is satisfied or waived, as to the financial condition of any Credit Party or as to the existence or continuation or possible occurrence or continuation of any Default or Event of Default and shall not be deemed to have notice or knowledge of such occurrence or

continuation unless it has received a notice from Borrower Representative or any Secured Party describing such Default or Event of Default clearly labeled "notice of default" (in which case Agent shall promptly give notice of such receipt to all Lenders)

and, for each of the items set forth in clauses (i) through (iv) above, each Secured Party and each Borrower hereby waives and agrees not to assert (and each Borrower shall cause each other Credit Party to waive and agree not to assert) any right, claim or cause of action it might have against Agent based thereon.

9.6 Agent Individually. Agent and its Affiliates may make loans and other extensions of credit to, acquire Stock and Stock Equivalents of, engage in any kind of business with, any Credit Party or Affiliate thereof as though it were not acting as Agent and may receive separate fees and other payments therefor. To the extent Agent or any of its Affiliates makes any Loan or otherwise becomes a Lender hereunder, it shall have and may exercise the same rights and powers hereunder and shall be subject to the same obligations and liabilities as any other Lender and the terms "**Lender**", "**Revolving Lender**", "**Required Lender**", "**Required Revolving Lender**" and any similar terms shall, except where otherwise expressly provided in any Loan Document, include, without limitation, the Agent or such Affiliate, as the case may be, in its individual capacity as Lender, Revolving Lender or as one of the Required Lenders or Required Revolving Lenders.

9.7 Lender Credit Decision.

(a) Each Secured Party acknowledges that it shall, independently and without reliance upon Agent, any other Secured Party or any of their Related Persons or upon any document (including any offering and disclosure materials in connection with the syndication of the Loans) solely or in part because such document was transmitted by Agent or any of its Related Persons, conduct its own independent investigation of the financial condition and affairs of each Credit Party and make and continue to make its own credit decisions in connection with entering into, and taking or not taking any action under, any Loan Document or with respect to any transaction contemplated in any Loan Document, in each case based on such documents and information as it shall deem appropriate. Except for documents expressly required by any Loan Document to be transmitted by Agent to the Lenders or L/C Issuers, Agent shall not have any duty or responsibility to provide any Secured Party with any credit or other information concerning the business, prospects, operations, Property, financial and other condition or creditworthiness of any Credit Party or any Affiliate of any Credit Party that may come in to the possession of Agent or any of its Related Persons.

(b) If any Lender or L/C Issuer has elected to abstain from receiving MNPI (as defined below in Section 10.10) concerning the Credit Parties or their Affiliates, such Lender or L/C Issuer acknowledges that, notwithstanding such election, Agent and/or the Credit Parties will, from time to time, make available syndicate-information (which may contain MNPI) as required by the terms of, or in the course of administering the Loans to the credit contact(s) identified for receipt of such information on the Lender's administrative questionnaire who are able to receive and use all syndicate-level information (which may contain MNPI) in accordance with such Lender's compliance policies and contractual obligations and applicable law, including federal and state securities laws; provided, that if such contact is not so identified in such questionnaire, the relevant Lender or L/C Issuer hereby agrees to promptly (and in any event within one (1) Business Day) provide such a contact to Agent and the Credit Parties upon request therefor by Agent or the Credit Parties. Notwithstanding such Lender's or L/C Issuer's election to abstain from receiving MNPI, such Lender or L/C Issuer acknowledges that if such Lender or L/C Issuer chooses to communicate with Agent, it assumes the risk of receiving MNPI concerning the Credit Parties or their Affiliates.

9.8 Expenses; Indemnities; Withholding.

(a) Each Lender agrees to reimburse Agent and each of its Related Persons (to the extent not reimbursed by any Credit Party) promptly upon demand, severally and ratably, for any costs and expenses (including fees, charges and disbursements of financial, legal and other advisors and Other Taxes paid in the name of, or on behalf of, any Credit Party) that may be incurred by Agent or any of its Related Persons in connection with the preparation, syndication, execution, delivery, administration, modification, consent, waiver or enforcement of, or the taking of any other action (whether through negotiations, through any work-out, bankruptcy, restructuring or other legal or other proceeding (including preparation for and/or response to any subpoena or request for document production relating thereto) or otherwise) in respect of, or legal advice with respect to, its rights or responsibilities under, any Loan Document.

(b) Each Lender further agrees to indemnify Agent, each L/C Issuer and each of their respective Related Persons (to the extent not reimbursed by any Credit Party), severally and ratably, from and against Liabilities (including, to the extent not indemnified pursuant to Section 9.8(c), Taxes, interests and penalties imposed for not properly withholding or backup withholding on payments made to or for the account of any Lender) that may be imposed on, incurred by or asserted against Agent, any L/C Issuer or any of their respective Related Persons in any matter relating to or arising out of, in connection with or as a result of any Loan Document, any Related Document, any Letter of Credit or any other act, event or transaction related, contemplated in or attendant to any such document, or, in each case, any action taken or omitted to be taken by Agent, any L/C Issuer or any of their respective Related Persons under or with respect to any of the foregoing; provided, that with respect to any indemnification owed to any L/C Issuer or any of its Related Persons in connection with any Letter of Credit, only Revolving Lenders shall be required to indemnify, such indemnification to be made severally and ratably based on such Revolving Lender's Commitment Percentage of the Aggregate Revolving Loan Commitment (determined as of the time the applicable indemnification is sought by such L/C Issuer or Related Person from the Revolving Lenders); provided, further, that no Lender shall be liable to Agent or any of its Related Persons to the extent such liability has resulted primarily from the gross negligence or willful misconduct of Agent or, as the case may be, such Related Person, as determined by a court of competent jurisdiction in a final non-appealable judgment or order.

(c) To the extent required by any Requirement of Law, Agent may withhold from any payment to any Lender under a Loan Document an amount equal to any applicable withholding Tax (including withholding Taxes imposed under Chapters 3 and 4 of Subtitle A of the Code). If the IRS or any other Governmental Authority asserts a claim that Agent did not properly withhold Tax from amounts paid to or for the account of any Lender (because the appropriate certification form was not delivered, was not properly executed, or fails to establish an exemption from, or reduction of, withholding Tax with respect to a particular type of payment, or because such Lender failed to notify Agent or any other Person of a change in circumstances which rendered the exemption from, or reduction of, withholding Tax ineffective, failed to maintain a Participant Register or for any other reason), or Agent reasonably determines that it was required to withhold Taxes from a prior payment but failed to do so, such Lender shall promptly indemnify Agent fully for all amounts paid, directly or indirectly, by Agent as Tax or otherwise, including penalties and interest, and together with all expenses incurred by Agent, including legal expenses, allocated internal costs and out-of-pocket expenses. Agent may offset against any payment to any Lender under a Loan Document, any applicable withholding Tax that was required to be withheld from any prior payment to such Lender but which was not so withheld, as well as any other amounts for which Agent is entitled to indemnification from such Lender under this Section 9.8(c).

9.9 Resignation of Agent or L/C Issuer.

(a) Agent may resign at any time by delivering notice of such resignation to the Lenders and Borrower Representative, effective on the date set forth in such notice or, if no such date is set forth therein, upon the date such notice shall be effective. If the Agent delivers any such notice, the Required Lenders shall have the right to appoint a successor Agent. If, within 30 days after the retiring Agent having given notice of resignation, no successor Agent has been appointed by the Required Lenders that has accepted such appointment, then the retiring Agent may, on behalf of the Lenders, appoint a successor Agent from among the Lenders. Each appointment under this clause (a) shall be subject to the prior consent of Borrower Representative, which may not be unreasonably withheld but shall not be required during the continuance of an Event of Default.

(b) Effective immediately upon its resignation, (i) the retiring Agent shall be discharged from its duties and obligations under the Loan Documents, (ii) the Lenders shall assume and perform all of the duties of Agent until a successor Agent shall have accepted a valid appointment hereunder, (iii) the retiring Agent and its Related Persons shall no longer have the benefit of any provision of any Loan Document other than with respect to any actions taken or omitted to be taken while such retiring Agent was, or because such Agent had been, validly acting as Agent under the Loan Documents and (iv) subject to its rights under Section 9.3, the retiring Agent shall take such action as may be reasonably necessary to assign to the successor Agent its rights as Agent under the Loan Documents. Effective immediately upon its acceptance of a valid appointment as Agent, a successor Agent shall succeed to, and become vested with, all the rights, powers, privileges and duties of the retiring Agent under the Loan Documents.

(c) Any L/C Issuer may resign at any time by delivering notice of such resignation to the Agent, effective on the date set forth in such notice or, if no such date is set forth therein, on the date such notice shall be effective. Upon such resignation, the L/C Issuer shall remain an L/C Issuer and shall retain its rights and obligations in its capacity as such (other than any obligation to Issue Letters of Credit but including the right to receive fees or to have Lenders participate in any L/C Reimbursement Obligation thereof) with respect to Letters of Credit issued by such L/C Issuer prior to the date of such resignation and shall otherwise be discharged from all other duties and obligations under the Loan Documents.

9.10 Release of Collateral or Guarantors. Each Secured Party hereby consents to the release and hereby directs Agent to release (or, in the case of clause (b)(ii) below, release or subordinate) the following:

(a) any Subsidiary of a Borrower from its guaranty of any Obligation if all of the Stock and Stock Equivalents of such Subsidiary owned by any Credit Party are sold or transferred in a transaction permitted under the Loan Documents (including pursuant to a waiver or consent), to the extent that, after giving effect to such transaction, such Subsidiary would not be required to guaranty any Obligations pursuant to Section 5.13; and

(b) any Lien held by Agent for the benefit of the Secured Parties against (i) any Collateral that is sold, transferred, conveyed or otherwise disposed of by a Credit Party in a transaction permitted by the Loan Documents (including pursuant to a valid waiver or consent), to the extent all Liens required to be granted in such Collateral pursuant to Section 5.13 after giving effect to such transaction have been granted, (ii) any Property subject to a Lien permitted hereunder in reliance upon subsection 6.1(h) or 6.1(i) and (iii) all of the Collateral and all Credit Parties, upon (A) the occurrence of the Facility Termination Date and (B) to the extent requested by Agent, receipt by Agent and the Secured Parties of liability releases from the Credit Parties each in form and substance acceptable to Agent.

Each Secured Party hereby directs Agent, and Agent hereby agrees, upon receipt of reasonable advance notice from Borrower Representative, to execute and deliver or file such documents and to perform other actions reasonably necessary to release the guaranties and Liens when and as directed in this Section 9.10.

9.11 Additional Secured Parties. The benefit of the provisions of the Loan Documents directly relating to the Collateral or any Lien granted thereunder shall extend to and be available to any Secured Party that is not a Lender or L/C Issuer party hereto as long as, by accepting such benefits, such Secured Party agrees, as among Agent and all other Secured Parties, that such Secured Party is bound by (and, if requested by Agent, shall confirm such agreement in a writing in form and substance acceptable to Agent) this Article IX, Section 10.3, Section 10.9, Section 10.10, Section 10.11, Section 10.17, Section 10.18, Section 10.19, Section 10.22, Section 10.25 and Section 11.1 (and, solely with respect to L/C Issuers, Section 2.1(c)) and the decisions and actions of Agent and the Required Lenders (or, where expressly required by the terms of this Agreement, a greater proportion of the Lenders or other parties hereto as required herein) to the same extent a Lender is bound; provided, however, that, notwithstanding the foregoing, (a) such Secured Party shall be bound by Section 9.8 only to the extent of Liabilities, costs and expenses with respect to or otherwise relating to the Collateral held for the benefit of such Secured Party, in which case the obligations of such Secured Party thereunder shall not be limited by any concept of pro rata share or similar concept, (b) each of Agent, the Lenders and the L/C Issuers party hereto shall be entitled to act at its sole discretion, without regard to the interest of such Secured Party, regardless of whether any Obligation to such Secured Party thereafter remains outstanding, is deprived of the benefit of the Collateral, becomes unsecured or is otherwise affected or put in jeopardy thereby, and without any duty or liability to such Secured Party or any such Obligation and (c) except as otherwise set forth herein, such Secured Party shall not have any right to be notified of, consent to, direct, require or be heard with respect to, any action taken or omitted in respect of the Collateral or under any Loan Document.

9.12 Joint Lead Arrangers, Syndication Agent and Documentation Agent. Notwithstanding any provision to the contrary contained elsewhere in this Agreement or in any other Loan Document, the Joint Lead Arrangers, Syndication Agent and Documentation Agent shall not have any duties or responsibilities, nor shall the Joint Lead Arrangers, Syndication Agent and Documentation Agent have or be deemed to have any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Joint Lead Arrangers, Syndication Agent and Documentation Agent.

9.13 Credit Bid. Each of the Lenders hereby irrevocably authorizes (and by entering into a Secured Rate Contract, each Secured Swap Provider hereby authorizes and shall be deemed to authorize) Agent, on behalf of all Secured Parties to take any of the following actions upon the instruction of the Required Lenders:

(a) consent to the Disposition of all or any portion of the Collateral free and clear of the Liens securing the Obligations in connection with any Disposition pursuant to the applicable provisions of the Bankruptcy Code, including Section 363 thereof;

(b) credit bid all or any portion of the Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any Disposition of all or any portion of the Collateral pursuant to the applicable provisions of the Bankruptcy Code, including under Section 363 thereof;

(c) credit bid all or any portion of the Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any Disposition of all or any portion of the Collateral pursuant to the applicable provisions of the UCC, including pursuant to Sections 9-610 or 9-620 of the UCC;

(d) credit bid all or any portion of the Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any foreclosure or other Disposition conducted in accordance with applicable law following the occurrence of an Event of Default, including by power of sale, judicial action or otherwise; and/or

(e) estimate the amount of any contingent or unliquidated Obligations of such Lender or other Secured Party;

it being understood that no Lender shall be required to fund any amount (other than by means of offset) in connection with any purchase of all or any portion of the Collateral by Agent pursuant to the foregoing clauses (b), (c) or (d) without its prior written consent.

Each Secured Party agrees that Agent is under no obligation to credit bid any part of the Obligations or to purchase or retain or acquire any portion of the Collateral; *provided* that, in connection with any credit bid or purchase described under clauses (b), (c) or (d) of the preceding paragraph, the Obligations owed to all of the Secured Parties (other than with respect to contingent or unliquidated liabilities as set forth in the next succeeding paragraph) may be, and shall be, credit bid by Agent on a ratable basis.

With respect to each contingent or unliquidated claim that is an Obligation, Agent is hereby authorized, but is not required, to estimate the amount thereof for purposes of any credit bid or purchase described in the second preceding paragraph so long as the estimation of the amount or liquidation of such claim would not unduly delay the ability of Agent to credit bid the Obligations or purchase the Collateral in the relevant Disposition. In the event that Agent, in its sole and absolute discretion, elects not to estimate any such contingent or unliquidated claim or any such claim cannot be estimated without unduly delaying the ability of Agent to consummate any credit bid or purchase in accordance with the second preceding paragraph, then any contingent or unliquidated claims not so estimated shall be disregarded, shall not be credit bid, and shall not be entitled to any interest in the portion or the entirety of the Collateral purchased by means of such credit bid.

Each Secured Party whose Obligations are credit bid under clauses (b), (c) or (d) of the third preceding paragraph shall be entitled to receive interests in the Collateral or any other asset acquired in connection with such credit bid (or in the Stock of the acquisition vehicle or vehicles that are used to consummate such acquisition) on a ratable basis in accordance with the percentage obtained by dividing (x) the amount of the Obligations of such Secured Party that were credit bid in such credit bid or other Disposition, by (y) the aggregate amount of all Obligations that were credit bid in such credit bid or other Disposition.

ARTICLE X

MISCELLANEOUS

10.1 Amendments and Waivers.

(a) Amendments Generally. No amendment or waiver of, or supplement or other modification (which shall include any direction to Agent pursuant) to, any Loan Document (other than the Fee Letters, any Control Agreement, any Mortgage, or any letter of credit reimbursement or similar agreement or any landlord, bailee or mortgagee agreement) or any provision thereof, and no consent with respect to any departure by any Credit Party therefrom, shall be effective unless the same shall be in writing and signed by the Required Lenders (or by Agent with the consent of the Required Lenders), and the Borrowers and acknowledged by the Agent and then such waiver shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such waiver, amendment, supplement (including any additional Loan Document) or

consent shall, unless in writing and signed by all the Lenders directly and adversely affected thereby (or by Agent with the consent of all the Lenders directly and adversely affected thereby), in addition to the Required Lenders (or by Agent with the consent of the Required Lenders) and the Borrowers and acknowledged by Agent, do any of the following:

(i) increase or extend the Commitment of any Lender (or reinstate any Commitment terminated pursuant to subsection 8.2(a));

(ii) postpone or delay any date fixed for, or reduce or waive, any scheduled installment of principal or any payment of interest, fees or other amounts (other than principal) due to the Lenders (or any of them) or L/C Issuer hereunder or under any other Loan Document (for the avoidance of doubt, mandatory prepayments pursuant to Section 2.8 (other than scheduled installments under Section 2.8(a)) may be postponed, delayed, reduced, waived or modified with the consent of Required Lenders);

(iii) reduce the principal of, or the rate of interest specified herein (it being agreed that waiver of the default interest margin shall only require the consent of Required Lenders) or the amount of interest payable in cash specified herein on any Loan, or of any fees or other amounts payable hereunder or under any other Loan Document, including L/C Reimbursement Obligations;

(iv) (A) change or have the effect of changing the priority or pro rata treatment of any payments (including voluntary and mandatory prepayments), Liens, proceeds of Collateral or reductions in Commitments (including as a result in whole or in part of allowing the issuance or incurrence, pursuant to this Agreement or otherwise, of new loans or other Indebtedness having any priority over any of the Obligations in respect of payments, Liens, Collateral or proceeds of Collateral, in exchange for any Obligations or otherwise), or (B) advance the date fixed for, or increase, any scheduled installment of principal due to any of the Lenders under any Loan Document;

(v) change the percentage of the Commitments or of the aggregate unpaid principal amount of the Loans which shall be required for the Lenders or any of them to take any action hereunder;

(vi) amend this Section 10 or definition of Required Lenders, or any provision providing for consent or other action by all Lenders; or

(vii) discharge any Credit Party from its respective payment Obligations under the Loan Documents, or release all or substantially all of the Collateral, except as otherwise may be provided in this Agreement or the other Loan Documents;

it being agreed that all Lenders shall be deemed to be directly affected by an amendment or waiver of the type described in the preceding clauses (iv), (v) and (vi).

(b) Agent, Swingline Lender and L/C Issuer. No amendment, waiver or consent shall, unless in writing and signed by Agent, the L/C Issuer or the Swingline Lender, as the case may be, in addition to the Required Lenders or all Lenders directly affected thereby, as the case may be (or by Agent with the consent of the Required Lenders or all the Lenders directly affected thereby or all the Lenders, as the case may be), affect the rights or duties of Agent, the L/C Issuer or the Swingline Lender, as applicable, under this Agreement or any other Loan Document. No amendment, modification or waiver of this Agreement or any Loan Document altering the ratable treatment of Obligations arising under Secured Rate Contracts resulting in such Obligations being junior in right

of payment to principal on the Loans or resulting in Obligations owing to any Secured Swap Provider becoming unsecured (other than releases of Liens permitted in accordance with the terms hereof), in each case in a manner adverse to any Secured Swap Provider, shall be effective without the written consent of such Secured Swap Provider.

(c) Required Revolving Lenders. No amendment or waiver shall, unless signed by Required Revolving Lenders (or by Agent with the consent of Required Revolving Lenders) in addition to the Required Lenders (or by Agent with the consent of the Required Lenders): (i) amend or waive compliance with the conditions precedent to the obligations of Lenders to make any Revolving Loan (or of any L/C Issuer to Issue any Letter of Credit) in Section 3.2; or (ii) waive any Default or Event of Default for the purpose of satisfying the conditions precedent to the obligations of Lenders to make any Revolving Loan (or of any L/C Issuer to Issue any Letter of Credit) in Section 3.2. No amendment shall: (x) amend or waive this Section 10.1(c) or the definitions of the terms used in this Section 10.1(c) insofar as the definitions affect the substance of this Section 10.1(c); (y) change the definition of the term Required Revolving Lenders; or (z) change the percentage of Lenders which shall be required for Revolving Lenders to take any action hereunder, in each case, without the consent of all Revolving Lenders.

(d) Additional Credit Facilities. This Agreement may be amended with the written consent of Agent, Borrower Representative and the Required Lenders to (i) add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the outstanding principal and accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Term Loans and Revolving Loans and the accrued interest and fees in respect thereof and (ii) include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders.

(e) Schedules; Corrections; Liens; Incrementals. Notwithstanding anything to the contrary contained in this Section 10.1, (i) Agent may amend Schedules 2.1(a) and 2.1(b) to reflect Incremental Facilities and Sales entered into pursuant to Section 10.9 and (ii) Agent and Borrower Representative may amend or modify this Agreement and any other Loan Document to (1) cure any ambiguity, omission, defect or inconsistency therein, (2) grant a new Lien for the benefit of the Secured Parties, extend an existing Lien over additional Property for the benefit of the Secured Parties or join additional Persons as Credit Parties, and (3) add one or more Incremental Facilities to this Agreement pursuant to Section 2.13 and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Term Loans and the Revolving Loans and the accrued interest and fees in respect thereof and to include appropriately the Lenders holding such credit facilities in any determination of the Required Revolving Lenders and Required Lenders.

(f) Extensions. Notwithstanding anything to the contrary in this Agreement, pursuant to one or more offers (each, an "**Extension Offer**") made from time to time by Borrower Representative to all Lenders holding Term Loans with a like maturity date or all Revolving Lenders having Revolving Loan Commitments with a like commitment termination date, in each case on a pro rata basis (based on the aggregate outstanding principal amount of such respective Term Loans or amounts of Revolving Loan Commitments) and on the same terms to each such Lender, the Borrowers are hereby permitted to consummate from time to time transactions with individual Lenders that accept the terms contained in any such Extension Offers to extend the maturity date and/or commitment termination of each such Lender's Term Loans and/or Revolving Loan Commitments, and, subject to the terms hereof, otherwise modify the terms of such Term Loans and/or Revolving Loan Commitments pursuant to the terms of the relevant Extension Offer (including by increasing the interest rate and/or fees payable in respect of such Term Loans and/or Revolving Loan Commitments (and related outstandings) and/or modifying the amortization

schedule in respect of such Lender's Term Loans) (each, an "**Extension**"; and each group of Term Loans or Revolving Loan Commitments, as applicable, in each case as so extended, as well as the original Term Loans and the original Revolving Loan Commitments (in each case not so extended), being a separate Class), so long as the following terms are satisfied:

(i) no Default or Event of Default shall have occurred and be continuing at the time the applicable Extension Offer is delivered to the Lenders;

(ii) except as to final commitment termination date (which shall be determined by the Borrowers and set forth in the relevant Extension Offer, subject to acceptance by the Extended Revolving Lenders), the Revolving Loan Commitment of any Revolving Lender that agrees to an Extension with respect to such Revolving Loan Commitment (an "**Extended Revolving Lender**") extended pursuant to an Extension (an "**Extended Revolving Loan Commitment**" and the Loans thereunder, "**Extended Revolving Loans**") and the related outstandings shall be a Revolving Loan Commitment (or related outstandings, as the case may be) with the same terms (or terms not less favorable to existing Revolving Lenders) as the original Revolving Loan Commitments (and related outstandings); provided that (1) the borrowing and payments (except for (A) payments of interest and/or fees at different rates on Extended Revolving Loan Commitments (and related outstandings), (B) repayments required upon the commitment termination date of the non-extended Class of Revolving Loan Commitments and (C) repayment made in connection with a permanent repayment and termination of commitments) of Revolving Loans with respect to Extended Revolving Loan Commitments after the applicable Extension date shall be made on a pro rata basis with all other Revolving Loan Commitments, (2) subject to Section 10.1(b), all Swing Loans and Letters of Credit shall be participated on a pro rata basis by all Lenders with Revolving Loan Commitments (including Extended Revolving Loan Commitments) in accordance with their percentage of the Aggregate Revolving Loan Commitments, (3) the permanent repayment of Revolving Loans with respect to, and termination of, Extended Revolving Loan Commitments after the applicable Extension date shall be made on a pro rata basis with all other Revolving Loan Commitments, except that the Borrowers shall be permitted to repay permanently and terminate commitments of any such Class on a better than pro rata basis as compared to any other Class with a later commitment termination date than such Class, (4) assignments and participations of Extended Revolving Loan Commitments and related Revolving Loans shall be governed by the same assignment and participation provisions applicable to the other Classes of Revolving Loan Commitments and Revolving Loans and (5) at no time shall there be Revolving Loan Commitments hereunder (including Extended Revolving Loan Commitments and any original Revolving Loan Commitments) which have more than two (2) different maturity dates;

(iii) except as to interest rates, fees, amortization, final maturity date, premium, required prepayment dates and participation in prepayments (which shall, subject to immediately succeeding clauses (iv), (v) and (vi), be determined by the Borrowers and set forth in the relevant Extension Offer, subject to acceptance by the Extending Term Lenders), the Term Loans of any Term Lender that agrees to an Extension (such commitment, an "**Extended Term Loan Commitment**") with respect to such Term Loans owed to it (an "**Extending Term Lender**") extended pursuant to any Extension ("**Extended Term Loans**") shall have the same terms as the Class of Term Loans subject to such Extension Offer (except for covenants or other provisions contained therein applicable only to periods after the then Latest Maturity Date);

(iv) the final maturity date of any Extended Term Loans shall be no earlier than the Latest Maturity Date of the Term Loans extended thereby and the amortization schedule applicable to Loans pursuant to Section 2.8(a) for periods prior to the original maturity date of the Term Loans shall not be increased;

(v) the Weighted Average Life to Maturity of any Extended Term Loans shall be no shorter than the Weighted Average Life to Maturity of the Term Loans extended thereby;

(vi) any Extended Term Loans may participate on a pro rata basis or a less than pro rata basis (but not greater than pro rata basis) with non-extended Classes of Term Loans in any voluntary or mandatory prepayments hereunder, in each case as specified in the respective Extension Offer; and

(vii) if the aggregate principal amount of Term Loans (calculated on the outstanding principal amount thereof) and/or Revolving Loan Commitments, as the case may be, in respect of which Term Lenders or Revolving Lenders, as applicable, shall have accepted the relevant Extension Offer shall exceed the maximum aggregate principal amount of Term Loans or Revolving Loan Commitments, as the case may be, offered to be extended by Borrower Representative pursuant to such Extension Offer, then the Term Loans and/or Revolving Loans of such Term Lenders or Revolving Lenders, as applicable, shall be extended ratably up to such maximum amount based on the respective principal or commitment amounts with respect to which such Term Lenders and/or Revolving Lenders, as the case may be, have accepted such Extension Offer.

With respect to all Extensions consummated by the Borrowers pursuant to this Section, (i) such Extensions shall not constitute voluntary or mandatory payments or prepayments for purposes of Sections 2.7 or 2.8 and (ii) no Extension Offer is required to be in any minimum amount or any minimum increment; provided that Borrower Representative may at its election specify as a condition to consummating any such Extension that a minimum amount (to be determined and specified in the relevant Extension Offer in Borrower Representative's sole discretion and may be waived by Borrower Representative) of Term Loans or Revolving Loan Commitments (as applicable) of any or all applicable Classes be tendered. Agent and the Lenders hereby consent to the transactions contemplated by this Section (including, for the avoidance of doubt, payment of any interest, fees or premium in respect of any Extended Term Loans and/or Extended Revolving Loan Commitments on the such terms as may be set forth in the relevant Extension Offer) and hereby waive the requirements of any provision of this Agreement or any other Loan Document that may otherwise prohibit or conflict with any such Extension or any other transaction contemplated by this Section. Any Lender that does not respond to an Extension Offer by the applicable due date shall be deemed to have rejected such Extension Offer.

No consent of Agent or any Lender shall be required to effectuate any Extension, other than (A) the consent of each Lender agreeing to such Extension with respect to one or more of its Term Loans and/or Revolving Loan Commitments (or a portion thereof) and (B) with respect to any Extension of the Revolving Loan Commitments, the consent of the L/C Issuer and Swingline Lender. All Extended Term Loans, Extended Revolving Loan Commitments and all obligations in respect thereof shall be Obligations under this Agreement and the other Loan Documents and secured by the Collateral on a pari passu basis with all other applicable Obligations. The Lenders hereby irrevocably authorize Agent to enter into amendments to this Agreement and the other Loan Documents with Borrower Representative (on behalf of all Credit Parties) as may be necessary in order to establish new Classes or sub-Classes in respect of Revolving Loan Commitments or Term Loans so extended and such technical amendments as may be necessary in the reasonable opinion of Agent and Borrower Representative in connection with the establishment of such new Classes or sub-Classes, in each case on terms consistent with this Section. In addition, if so provided in such

amendment and with the consent of each L/C Issuer, participations in Letters of Credit expiring on or after the applicable commitment termination date shall be re-allocated from Lenders holding non-extended Revolving Loan Commitments to Lenders holding Extended Revolving Loan Commitments in accordance with the terms of such amendment; provided, however, that such participation interests shall, upon receipt thereof by the relevant Lenders holding Revolving Loan Commitments, be deemed to be participation interests in respect of such Revolving Loan Commitments and the terms of such participation interests shall be adjusted accordingly. Without limiting the foregoing, in connection with any Extensions the applicable Credit Parties shall (at their expense) amend (and Agent is hereby directed by the Lenders to amend) any Mortgage that has a maturity date prior to the Latest Maturity Date, so that such maturity date referenced therein is extended to the later of the then Latest Maturity Date (or such later date as may be advised by local counsel to Agent). Agent shall promptly notify each Lender of the effectiveness of each such amendment.

In connection with any Extension, Borrower Representative shall provide Agent at least five (5) Business Days (or such shorter period as may be agreed by Agent) prior written notice thereof, and shall agree to such procedures (including regarding timing, rounding and other adjustments and to ensure reasonable administrative management of the credit facilities hereunder after such Extension), if any, as may be established by, or acceptable to, Agent, in each case acting reasonably to accomplish the purposes of this Section 10.1(f).

This Section 10.1(f) shall supersede any provisions of this Section 10.1 or Section 10.11 to the contrary.

(g) Certain other Loan Documents. The Fee Letters, any Control Agreement, any Mortgage, any letter of credit reimbursement or similar agreement or any landlord, bailee or mortgagee agreement may be amended as provided therein and if not provided therein, by each of the parties thereto.

(h) Certain Acquisitions. No amendment or waiver shall, unless signed by the Initial Lenders (or by Agent with the consent of the Initial Lenders) in addition to the Required Lenders (or by Agent with the consent of the Required Lenders) amend clause (h) of the definition of "Permitted Acquisition" or otherwise amend this Agreement to permit an Acquisition with aggregate Acquisition Consideration in excess of $50,000,000 to be consummated within six months after the Closing Date;

10.2 Notices.

(a) Addresses. All notices, demands, requests, directions and other communications required or expressly authorized to be made by this Agreement shall, whether or not specified to be in writing but unless otherwise expressly specified to be given by any other means, be given in writing and (i) addressed to the address set forth on the applicable signature page hereto, (ii) posted to Syndtrak® (to the extent such system is available and set up by or at the direction of the Agent prior to posting) in an appropriate location by uploading such notice, demand, request, direction or other communication to www.syndtrak.com or using such other means of posting to Syndtrak® as may be available and reasonably acceptable to Agent prior to such posting, (iii) posted to any other E-System approved by or set up by or at the direction of Agent or (iv) addressed to such other address as shall be notified in writing (A) in the case of the Borrowers, the Swingline Lender and Agent, to the other parties hereto and (B) in the case of all other parties, to Borrower Representative and Agent. Transmission by electronic mail (including E-Fax) shall not be sufficient or effective to transmit any such notice under this clause (a) unless such transmission is an available means to post to any E-System.

(b) Effectiveness.

(i) All communications described in clause (a) above and all other notices, demands, requests and other communications made in connection with this Agreement shall be effective and be deemed to have been received (i) if delivered by hand, upon personal delivery, (ii) if delivered by overnight courier service, 1 Business Day after delivery to such courier service, (iii) if delivered by mail, when deposited in the mails, (iv) if delivered by facsimile (other than to post to an E-System pursuant to clause (a)(ii) or (a)(iii) above), upon sender's receipt of confirmation of proper transmission, and (v) if delivered by posting to any E-System, on the later of the date of such posting and the date access to such posting is given to the recipient thereof in accordance with the standard procedures applicable to such E-System; provided, however, that no communications to Agent pursuant to Article II shall be effective until received by Agent.

(ii) The posting, completion and/or submission by any Credit Party of any communication pursuant to an E-System shall constitute a representation and warranty by the Credit Parties that any representation, warranty, certification or other similar statement required by the Loan Documents to be provided, given or made by a Credit Party in connection with any such communication is true, correct and complete except as expressly noted in such communication or E-System.

(c) Each Lender shall notify Agent in writing of any changes in the address to which notices to such Lender should be directed, of addresses of its Lending Office, of payment instructions in respect of all payments to be made to it hereunder and of such other administrative information as Agent shall reasonably request.

10.3 Electronic Transmissions.

(a) Authorization. Subject to the provisions of Section 10.2(a), each of Agent, Lenders, each Credit Party and each of their Related Persons, is authorized (but not required) to transmit, post or otherwise make or communicate, in its sole discretion, Electronic Transmissions in connection with any Loan Document and the transactions contemplated therein. Each Credit Party and each Secured Party hereto acknowledges and agrees that the use of Electronic Transmissions is not necessarily secure and that there are risks associated with such use, including risks of interception, disclosure and abuse and each indicates it assumes and accepts such risks by hereby authorizing the transmission of Electronic Transmissions.

(b) Signatures. Subject to the provisions of Section 10.2(a), (i)(A) no posting to any E-System shall be denied legal effect merely because it is made electronically, (B) each E-Signature on any such posting shall be deemed sufficient to satisfy any requirement for a "signature" and (C) each such posting shall be deemed sufficient to satisfy any requirement for a "writing", in each case including pursuant to any Loan Document, any applicable provision of any UCC, the federal Uniform Electronic Transactions Act, the Electronic Signatures in Global and National Commerce Act and any substantive or procedural Requirement of Law governing such subject matter, (ii) each such posting that is not readily capable of bearing either a signature or a reproduction of a signature may be signed, and shall be deemed signed, by attaching to, or logically associating with such posting, an E-Signature, upon which Agent, each Secured Party and each Credit Party may rely and assume the authenticity thereof, (iii) each such posting containing a signature, a reproduction of a signature or an E-Signature shall, for all intents and purposes, have the same effect and weight as a signed paper original and (iv) each party hereto or beneficiary hereto agrees not to contest the validity or enforceability of any posting on any E-System or E-Signature on any such posting under the provisions of any applicable Requirement of Law requiring certain documents to be in writing or

signed; provided, however, that nothing herein shall limit such party's or beneficiary's right to contest whether any posting to any E-System or E-Signature has been altered after transmission.

(c) Separate Agreements. All uses of an E-System shall be governed by and subject to, in addition to Section 10.2 and this Section 10.3, the separate terms, conditions and privacy policy posted or referenced in such E-System (or such terms, conditions and privacy policy as may be updated from time to time, including on such E-System) and related Contractual Obligations executed by Agent and Credit Parties in connection with the use of such E-System.

(d) LIMITATION OF LIABILITY. ALL E-SYSTEMS AND ELECTRONIC TRANSMISSIONS SHALL BE PROVIDED "AS IS" AND "AS AVAILABLE". NONE OF AGENT, ANY LENDER OR ANY OF THEIR RELATED PERSONS WARRANTS THE ACCURACY, ADEQUACY OR COMPLETENESS OF ANY E-SYSTEMS OR ELECTRONIC TRANSMISSION AND DISCLAIMS ALL LIABILITY FOR ERRORS OR OMISSIONS THEREIN. NO WARRANTY OF ANY KIND IS MADE BY AGENT, ANY LENDER OR ANY OF THEIR RELATED PERSONS IN CONNECTION WITH ANY E-SYSTEMS OR ELECTRONIC COMMUNICATION, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD-PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS. Each of each Borrower, each other Credit Party executing this Agreement and each Secured Party agrees that Agent has no responsibility for maintaining or providing any equipment, software, services or any testing required in connection with any Electronic Transmission or otherwise required for any E-System.

10.4 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of Agent or any Lender, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. No course of dealing between any Credit Party, any Affiliate of any Credit Party, Agent or any Lender shall be effective to amend, modify or discharge any provision of this Agreement or any of the other Loan Documents.

10.5 Costs and Expenses. Any action taken by any Credit Party under or with respect to any Loan Document, even if required under any Loan Document or at the request of Agent or Required Lenders, shall be at the expense of such Credit Party, and neither Agent nor any other Secured Party shall be required under any Loan Document to reimburse any Credit Party or any Subsidiary of any Credit Party therefor except as expressly provided therein. In addition, the Borrowers agree to pay or reimburse upon demand (a) the Agent for all reasonable out-of-pocket costs and expenses incurred by it or any of its Related Persons (but only to the extent Agent or its Affiliates are required to reimburse such Related Persons), in connection with the investigation, development, preparation, negotiation, syndication, execution, interpretation or administration of, any modification of any term of or termination of, any Loan Document, any commitment or proposal letter therefor, any other document prepared in connection therewith or the consummation and administration of any transaction contemplated therein, in each case including Attorney Costs to the Agent, (b) the Agent for all reasonable costs and expenses incurred by it or any of its Related Persons in connection with internal audit reviews, field examinations and Collateral examinations (which shall be reimbursed, in addition to the out-of-pocket costs and expenses of such examiners, at the per diem rate per individual charged by the Agent for its examiners), (c) each of the Agent, its Related Persons, and L/C Issuer for all costs and expenses incurred in connection with (i) any refinancing or restructuring of the credit arrangements provided hereunder in the nature of a "work-out", (ii) the enforcement or preservation of any right or remedy under any Loan Document, any Obligation, with respect to the Collateral or any other related right or remedy or (iii) the commencement, defense, conduct of, intervention in, or the taking of any other action with respect to, any proceeding (including any bankruptcy or insolvency proceeding) related to any Credit Party, any Subsidiary of any Credit Party, Loan Document or Obligation (or the

response to and preparation for any subpoena or request for document production relating thereto), including Attorney Costs and (d) fees and disbursements of Attorney Costs of one law firm on behalf of all Lenders (other than Agent) incurred in connection with any of the matters referred to in clause (c) above.

10.6 Indemnity.

(a) Each Credit Party agrees to indemnify, hold harmless and defend Agent, each Lender, each L/C Issuer and each of their respective Related Persons (each such Person being an "**Indemnitee**") from and against all Liabilities (including brokerage commissions, fees and other compensation) that may be imposed on, incurred by or asserted against any such Indemnitee (regardless of whether such matter is initiated by a third party, by a Borrower or any of their respective affiliates) in any matter relating to or arising out of, in connection with or as a result of (i) any Loan Document, any Obligation (or the repayment thereof), any Letter of Credit, the use or intended use of the proceeds of any Loan or the use of any Letter of Credit or any securities filing of, or with respect to, any Credit Party, (ii) any commitment letter, proposal letter or term sheet with any Person or any Contractual Obligation, arrangement or understanding with any broker, finder or consultant, in each case entered into by or on behalf of any Credit Party or any Affiliate of any of them in connection with any of the foregoing and any Contractual Obligation entered into in connection with any E-Systems or other Electronic Transmissions, (iii) any actual or prospective investigation, litigation or other proceeding, whether or not brought by any such Indemnitee or any of its Related Persons, any holders of securities or creditors (and including attorneys' fees in any case), whether or not any such Indemnitee, Related Person, holder or creditor is a party thereto, and whether or not based on any securities or commercial law or regulation or any other Requirement of Law or theory thereof, including common law, equity, contract, tort or otherwise or (iv) any other act, event or transaction related, contemplated in or attendant to any of the foregoing (collectively, the "**Indemnified Matters**"); provided, however, that no Credit Party shall have any liability under this Section 10.6 to any Indemnitee with respect to any Indemnified Matter, and no Indemnitee shall have any liability with respect to any Indemnified Matter other than (to the extent otherwise liable), to the extent such liability has resulted primarily from the gross negligence or willful misconduct of such Indemnitee, as determined by a court of competent jurisdiction in a final non-appealable judgment or order. Furthermore, each of each Borrower and each other Credit Party executing this Agreement waives and agrees not to assert against any Indemnitee, and shall cause each other Credit Party to waive and not assert against any Indemnitee, any right of contribution with respect to any Liabilities that may be imposed on, incurred by or asserted against any Related Person. This Section 10.6(a) shall not apply with respect to Taxes other than any Taxes that represent Liabilities arising from any non-Tax claim.

(b) Without limiting the foregoing, "**Indemnified Matters**" includes all Environmental Liabilities imposed on, incurred by or asserted against any Indemnitee, including those arising from, or otherwise involving, any Property of any Credit Party or any Related Person of any Credit Party or any actual, alleged or prospective damage to Property or natural resources or harm or injury alleged to have resulted from any Release of Hazardous Materials on, upon or into such Property or natural resource or any Property on or contiguous to any Real Estate of any Credit Party or any Related Person of any Credit Party, whether or not, with respect to any such Environmental Liabilities, any Indemnitee is a mortgagee pursuant to any leasehold mortgage, a mortgagee in possession, the successor-in-interest to any Credit Party or any Related Person of any Credit Party or the owner, lessee or operator of any Property of any Related Person through any foreclosure action, in each case except to the extent such Environmental Liabilities (i) are incurred solely following foreclosure by Agent or following Agent or any Lender having become the successor-in-interest to any Credit Party or any Related Person of any Credit Party and (ii) are attributable solely to acts of such Indemnitee.

10.7 Marshaling; Payments Set Aside. No Secured Party shall be under any obligation to marshal any Property in favor of any Credit Party or any other Person or against or in payment of any Obligation. To

the extent that the Secured Party receives a payment from a Borrower, from any other Credit Party, from the proceeds of the Collateral, from the exercise of its rights of setoff, any enforcement action or otherwise, and such payment is subsequently, in whole or in part, invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor, shall be revived and continued in full force and effect as if such payment had not occurred.

10.8 Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided that any assignment by any Lender shall be subject to the provisions of Section 10.9 hereof, and provided further that no Borrower may assign or transfer any of its rights or obligations under this Agreement without the prior written consent of Agent and each Lender.

10.9 Assignments and Participations; Binding Effect.

(a) Binding Effect. On and after the Closing Date, this Agreement shall be binding upon and inure to the benefit of, but only to the benefit of, the Borrowers, the other Credit Parties hereto (in each case except for Article IX), Agent, each Lender and each L/C Issuer receiving the benefits of the Loan Documents and, to the extent provided in Section 9.11, each other Secured Party and, in each case, their respective successors and permitted assigns. Except as expressly provided in any Loan Document (including in Section 9.9), none of any Borrower, any other Credit Party, any L/C Issuer or Agent shall have the right to assign any rights or obligations hereunder or any interest herein.

(b) Right to Assign. Each Lender may sell, transfer, negotiate or assign (a "**Sale**") all or a portion of its rights and obligations hereunder (including all or a portion of its Commitments and its rights and obligations with respect to Loans and Letters of Credit) to (i) any existing Lender (other than a Non-Funding Lender or Impacted Lender); (ii) any Affiliate or Approved Fund of any existing Lender (other than a natural Person or a Non-Funding Lender or Impacted Lender); (iii) to any Person in connection with the sale by any Lender of all or any substantial portion of such Lender's corporate finance or healthcare capital portfolio or (iv) any other Person (other than a natural Person, a Non-Funding Lender or any Borrower or any of any Borrower's Affiliates or Subsidiaries) acceptable (which acceptance shall not be unreasonably withheld or delayed) to Agent and, as long as no Specified Event of Default is continuing, Borrower Representative, and, in the case of any Sale of a Revolving Loan, Letter of Credit or Revolving Loan Commitment, each L/C Issuer that is a Lender (which acceptances of L/C Issuer and Borrower Representative shall be deemed to have been given unless an objection is delivered to Agent within ten (10) Business Days after notice of a proposed Sale is delivered to the L/C Issuer and Borrower Representative, as applicable (any Person meeting one of the requirements set forth in clauses (i), (ii), (iii) or (iv) above, an "**Eligible Assignee**"); provided, however, that (v) such Sales do not have to be ratable between the Revolving Loan and Term Loans or between each Term Loan but must be ratable among the obligations owing to and owed by such Lender with respect to the Revolving Loans or a Term Loan; (w) for each Loan, the aggregate outstanding principal amount (determined as of the effective date of the applicable Assignment) of the Loans, Commitments and Letter of Credit Obligations subject to any such Sale shall be in a minimum amount of $1,000,000, unless such Sale is made to an existing Lender or an Affiliate or Approved Fund of any existing Lender, is of the assignor's (together with its Affiliates and Approved Funds) entire interest in such facility or is made with the prior consent of Borrower Representative (to the extent Borrower Representative's consent is otherwise required) and Agent; (x) interest accrued, other than any interest that is payable-in-kind, prior to and through the date of any such Sale may not be assigned; (y) such Sales by Lenders who are Non-Funding Lenders due to clause (a) of the definition of Non-Funding Lender shall be subject to Agent's prior written consent in all instances, unless in connection with such sale, such Non-Funding Lender cures, or causes the cure of, its Non-Funding Lender status as contemplated in Section 2.11(e)(v); and (z) assignments and participations to Disqualified Institutions shall be subject to the terms and conditions in Section 10.9(g).

Agent's refusal to accept a Sale to a Credit Party, an Affiliate of a Credit Party, a holder of Subordinated Indebtedness or an Affiliate of such Holder or a Person that would be a Non-Funding Lender or Impacted Lender, or the imposition of conditions or limitations (including limitations on voting) upon Sales to such Persons, shall not be deemed to be unreasonable. Any purported assignment or transfer by a Lender of its rights or obligations under this Agreement and the other Loan Documents to any Person that does not comply with the terms hereof shall be treated for purposes of this Agreement as a sale by such Lender of a participation of such rights and obligations in accordance with Section 10.9(f) (subject to Section 10.9(g) in the case of a purported transfer to a Disqualified Institution), provided that such treatment shall not relieve any assigning Lender from any Liabilities arising as a consequence of its breach of this Agreement.

(c) Procedure. The parties to each Sale made in reliance on clause (b) above (other than those described in clause (e) or (f) below) shall execute and deliver to Agent an Assignment via an electronic settlement system designated by Agent (or, if previously agreed with Agent, via a manual execution and delivery of the Assignment) evidencing such Sale, together with any existing Note subject to such Sale (or any affidavit of loss therefor acceptable to Agent), any Tax forms required to be delivered pursuant to Section 11.1 and payment of an assignment fee in the amount of $3,500 to Agent, unless waived or reduced by Agent; provided that (i) if a Sale by a Lender is made to an Affiliate or an Approved Fund of such assigning Lender, then no assignment fee shall be due in connection with such Sale, and (ii) if a Sale by a Lender is made to an assignee that is not an Affiliate or Approved Fund of such assignor Lender, and concurrently to one or more Affiliates or Approved Funds of such assignee, then only one assignment fee of $3,500 shall be due in connection with such Sale (unless waived or reduced by Agent). Upon receipt of all the foregoing, and conditioned upon such receipt and, if such Assignment is made in accordance with clause (iv) of Section 10.9(b), upon Agent (and Borrower Representative, if applicable, and L/C Issuer) consenting to such Assignment (if required), from and after the effective date specified in such Assignment, Agent shall record or cause to be recorded in the Register the information contained in such Assignment.

(d) Effectiveness. Subject to the recording of an Assignment by Agent in the Register pursuant to Section 2.4(b), (i) the assignee thereunder shall become a party hereto and, to the extent that rights and obligations under the Loan Documents have been assigned to such assignee pursuant to such Assignment, shall have the rights and obligations of a Lender, (ii) any applicable Note shall be transferred to such assignee through such entry and (iii) the assignor thereunder shall, to the extent that rights and obligations under this Agreement have been assigned by it pursuant to such Assignment, relinquish its rights (except for those surviving the termination of the Commitments and the payment in full of the Obligations) and be released from its obligations under the Loan Documents, other than those relating to events or circumstances occurring prior to such assignment (and, in the case of an Assignment covering all or the remaining portion of an assigning Lender's rights and obligations under the Loan Documents, such Lender shall cease to be a party hereto).

(e) Grant of Security Interests. In addition to the other rights provided in this Section 10.9, each Lender may grant a security interest in, or otherwise assign as collateral, any of its rights under this Agreement, whether now owned or hereafter acquired (including rights to payments of principal or interest on the Loans), to (A) any federal reserve bank (pursuant to Regulation A of the Federal Reserve Board), without notice to Agent or (B) any holder of, or trustee for the benefit of the holders of, such Lender's Indebtedness or equity securities, by notice to Agent; provided, however, that no such holder or trustee, whether because of such grant or assignment or any foreclosure thereon (unless such foreclosure is made through an assignment in accordance with clause (b) above), shall be entitled to any rights of such Lender hereunder and no such Lender shall be relieved of any of its obligations hereunder.

(f) Participants and SPVs. In addition to the other rights provided in this Section 10.9, each Lender may, (x) with notice to Agent, grant to an SPV the option to make all or any part of any Loan that such Lender would otherwise be required to make hereunder (and the exercise of such option by such SPV and the making of Loans pursuant thereto shall satisfy the obligation of such Lender to make such Loans hereunder) and such SPV may assign to such Lender the right to receive payment with respect to any Obligation and (y) without notice to or consent from Agent or the Borrowers, sell participations to one or more Persons (other than a natural Person, or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person, or the Borrowers or any of the Borrowers' Affiliates or Subsidiaries) in or to all or a portion of its rights and obligations under the Loan Documents (including all its rights and obligations with respect to the Term Loans, Revolving Loans and Letters of Credit); provided, however, that, whether as a result of any term of any Loan Document or of such grant or participation, (i) no such SPV or participant shall have a commitment, or be deemed to have made an offer to commit, to make Loans hereunder, and, except as provided in the applicable option agreement, none shall be liable for any obligation of such Lender hereunder, (ii) such Lender's rights and obligations, and the rights and obligations of the Credit Parties and the Secured Parties towards such Lender, under any Loan Document shall remain unchanged and each other party hereto shall continue to deal solely with such Lender, which shall remain the holder of the Obligations in the Register, except that (A) each such participant and SPV shall be entitled to the benefit of Article XI, but, with respect to Section 11.1, only to the extent such participant or SPV delivers the Tax forms such Lender is required to collect pursuant to subsection 11.1(g) and then only to the extent of any amount to which such Lender would be entitled in the absence of any such grant or participation except to the extent such entitlement to receive a greater amount results from any change in, or in the interpretation of, any Requirement of Law that occurs after the date such grant or participation is made (and in consideration of the foregoing, each such Participant and SPV shall be deemed to have acknowledged and agreed to be bound by the provisions of Section 10.22) and (B) each such SPV may receive other payments that would otherwise be made to such Lender with respect to Loans funded by such SPV to the extent provided in the applicable option agreement and set forth in a notice provided to Agent by such SPV and such Lender, provided, however, that in no case (including pursuant to clause (A) or (B) above) shall an SPV or participant have the right to enforce any of the terms of any Loan Document, and (iii) the consent of such SPV or participant shall not be required (either directly, as a restraint on such Lender's ability to consent hereunder or otherwise) for any amendments, waivers or consents with respect to any Loan Document or to exercise or refrain from exercising any powers or rights such Lender may have under or in respect of the Loan Documents (including the right to enforce or direct enforcement of the Obligations), except for those described in clauses (ii) and (iii) of Section 10.1(a) with respect to amounts, or dates fixed for payment of amounts, to which such participant or SPV would otherwise be entitled and, in the case of participants, except for those described in clause (vii) of Section 10.1(a). No party hereto shall institute (and each Borrower shall cause each other Credit Party not to institute) against any SPV grantee of an option pursuant to this clause (f) any bankruptcy, reorganization, insolvency, liquidation or similar proceeding, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper of such SPV; provided, however, that each Lender having designated an SPV as such agrees to indemnify each Indemnitee against any Liability that may be incurred by, or asserted against, such Indemnitee as a result of failing to institute such proceeding (including a failure to be reimbursed by such SPV for any such Liability). The agreement in the preceding sentence shall survive the termination of the Commitments and the payment in full of the Obligations. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, 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 the Loan Documents (the "**Participant Register**"); provided that no

Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person other than Agent except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, Agent shall have no responsibility for maintaining a Participant Register.

(g) Disqualified Institutions.

(i) No assignment or participation shall be made to any Person that was a Disqualified Institution as of the date (the "**Trade Date**") on which the assigning or transferring Lender entered into a binding agreement to sell and assign, or grant a participation in, all or a portion of its rights and obligations under this Agreement, as applicable, to such Person unless Agent and Borrower Representative have consented in writing in their sole and absolute discretion to such assignment or participation, in which case such Person will not be considered a Disqualified Institution for the purpose of such assignment or participation. For the avoidance of doubt, (x) no assignment or participation shall be retroactively invalidated pursuant to this Section 10.9(g) if the Trade Date therefor occurred prior to the assignee's or participant's becoming a Disqualified Institution (including as a result of the delivery of a notice pursuant to, and/or the expiration of the notice period referred to in, the definition of "Disqualified Institution", and (y) the execution by Borrower Representative or Agent of an Assignment with respect to such an assignment will not by itself result in such assignee no longer being considered a Disqualified Institution.

(ii) Agent and each assignor of a Loan or seller of a participation hereunder shall be entitled to rely conclusively on a representation of the assignee Lender or Participant in the relevant Assignment or participation agreement, as applicable, that such assignee or purchaser is not a Disqualified Institution. The Agent shall have the right, and the Borrowers hereby expressly authorize Agent, to (A) post the list of Disqualified Institutions provided by Borrower Representative and any updates thereto from time to time (collectively, the "**DQ List**") on an E-System, including that portion of such E-System that is designated for "public side" Lenders and/or (B) provide the DQ List to each Lender requesting the same. Any assignment to a Disqualified Institution or grant or sale of participation to a Disqualified Institution in violation of Section 10.9(g) shall not be void, but the other provisions of this Section 10.9(g) shall apply.

(iii) If any assignment or participation is made to any Disqualified Institution without the consents required by this Section 10.9(g) and/or Section 10.9(b), or if any Person becomes a Disqualified Institution after the applicable Trade Date, Borrower Representative may, at its sole expense and effort, upon notice to the applicable Disqualified Institution and Agent, (1) terminate the Revolving Loan Commitment of such Disqualified Institution and pay or cause to be paid all Obligations of the Borrowers owing to such Disqualified Institution in connection with such Revolving Loan Commitment, (2) in the case of outstanding Term Loans held by Disqualified Institutions, purchase or prepay (or cause to be purchased or prepaid) such Term Loan by paying the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such

Term Loans, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder and/or (C) require such Disqualified Institution to assign, without recourse (in accordance with and subject to the restrictions and conditions contained in this Section 10.9), all of its interest, rights and obligations under this Agreement and the other Loan Documents to one or more assignees at the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such interests, rights and obligations of such Term Loans, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder. Any Term Loan so purchased by a Borrower under this Section 10.9(g) shall upon such purchase be deemed to be irrevocably prepaid, terminated, extinguished, cancelled and of no further force and effect.

(iv) Notwithstanding anything to the contrary contained in this Agreement, Disqualified Institutions (1) will not have the right to (x) receive information, reports or other materials provided to Agent or Lenders by the Borrowers, Agent or any other Lender, (y) attend or participate (including by telephone) in meetings attended by any of the Lenders and/or Agent, or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of Agent or the Lenders and (2) (x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Loan Document, each Disqualified Institution will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Institutions consented to such matter, and (y) for purposes of voting on any plan of reorganization pursuant to Section 1126 of the Bankruptcy Code or any similar plan, each Disqualified Institution party hereto hereby agrees (1) not to vote on such plan, (2) if such Disqualified Institution does vote on such plan notwithstanding the restriction in the immediately foregoing clause (1), such vote will be deemed not to be in good faith and shall be "designated" pursuant to Section 1126(e) of the Bankruptcy Code (or any similar provision in any other similar federal, state or foreign law affecting creditor's rights), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such plan in accordance with Section 1126(c) of the Bankruptcy Code (or any similar provision in any other similar federal, state or foreign law affecting creditor's rights) and (3) not to contest any request by any party for a determination by the Bankruptcy Court (or other applicable court of competent jurisdiction) effectuating the foregoing clause (2).

10.10 Confidentiality.

(a) Non-Public Information.

(i) Distribution of Materials to Lenders and L/C Issuers. The Credit Parties acknowledge and agree that the Loan Documents and all reports, notices, communications and other information or materials provided or delivered by, or on behalf of, the Credit Parties hereunder (collectively, the "**Borrower Materials**") may be disseminated by, or on behalf of, Agent, and made available, to the Lenders and the L/C Issuers by posting such Borrower Materials on an E-System. The Credit Parties authorize Agent to download copies of their logos from its website and post copies thereof on an E-System. Each Credit Party consents to the publication by the Agent or any Lender of any press release, tombstone, advertising or other promotional materials (including, without limitation, via any Electronic Transmission) relating to the financing transactions contemplated by this Agreement using such Group Member's name,

product photographs, logo or trademark; provided such publication is in compliance with applicable Requirements of Law.

(ii) Material Non-Public Information. The Credit Parties hereby agree that if either they, any parent company or any Subsidiary of the Credit Parties has publicly traded equity or debt securities in the United States, they shall (and shall cause such parent company or Subsidiary, as the case may be, to) (A) identify in writing, and (B) to the extent reasonably practicable, clearly and conspicuously mark such Borrower Materials that contain only information that is publicly available or that is not material for purposes of United States federal and state securities laws as "PUBLIC". The Credit Parties agree that by identifying such Borrower Materials as "PUBLIC" or publicly filing such Borrower Materials with the Securities and Exchange Commission, then Agent, the Lenders and the L/C Issuers shall be entitled to treat such Borrower Materials as not containing any material non-public information ("**MNPI**") for purposes of United States federal and state securities laws. The Credit Parties further represent, warrant, acknowledge and agree that the following documents and materials shall be deemed to be PUBLIC, whether or not so marked, and do not contain any MNPI: (I) the Loan Documents, including the schedules and exhibits attached thereto, and (II) administrative materials of a customary nature prepared by the Credit Parties or Agent (including, Notices of Borrowing, Notices of Conversion/Continuation, L/C Requests, Swingline Requests and any similar requests or notices posted on or through an E-System). Before distribution of Borrower Materials, the Credit Parties agree to execute and deliver to Agent a letter authorizing distribution of the evaluation materials to prospective Lenders and their employees willing to receive MNPI, and a separate letter authorizing distribution of evaluation materials that do not contain MNPI and represent that no MNPI is contained therein. The Credit Parties acknowledge and agree that the list of Disqualified Institutions does not constitute MNPI and may be posted to all Lenders by Agent (including any updates thereto).

(b) Confidential Information. Each of Agent, each Lender and each L/C Issuer acknowledges and agrees that it may receive MNPI hereunder concerning the Credit Parties and their Affiliates and agrees to use such information in compliance with all relevant policies, procedures and applicable Requirements of Laws (including United States federal and state securities laws and regulations. Each Lender, L/C Issuer and the Agent agrees to use all reasonable efforts to maintain, in accordance with its customary practices, the confidentiality of information obtained by it pursuant to any Loan Document and designated in writing by any Credit Party as confidential for a period of two (2) years following the date on which this Agreement terminates in accordance with the terms hereof, except that such information may be disclosed (i) with Borrower Representative's consent, (ii) to Related Persons of such Lender, L/C Issuer or the Agent, as the case may be, or to any Person that any L/C Issuer causes to issue Letters of Credit hereunder, that are advised of the confidential nature of such information and are instructed to keep such information confidential, (iii) to the extent such information presently is or hereafter becomes available to such Lender, L/C Issuer or the Agent, as the case may be, on a non-confidential basis from a source other than any Credit Party, (iv) to the extent disclosure is required by applicable Requirements of Law or other legal process or requested or demanded by any Governmental Authority, (v) to the extent necessary or customary for inclusion in league table measurements or in any tombstone or other advertising materials (and the Credit Parties consent to the publication of such tombstone or other advertising materials by the Agent, any Lender, any L/C Issuer or any of their Related Persons), (vi) (A) to the National Association of Insurance Commissioners or any similar organization, any examiner or, on a confidential basis, to any nationally recognized rating agency or (B) otherwise to the extent consisting of general portfolio information that does not identify Credit Parties, (vii) to current or prospective assignees, SPVs (including the investors or prospective investors therein) or participants, direct or contractual counterparties to any Secured Rate Contracts and to their respective Related Persons, in each case to the extent such assignees, investors, prospective investors, participants, counterparties or Related Persons agree to be bound by provisions substantially similar to the provisions of this Section 10.10 (and such Person may disclose information to their respective Related Persons in accordance with

clause (ii) above), (viii) to any other party hereto, and (ix) in connection with the exercise or enforcement of any right or remedy under any Loan Document, in connection with any litigation or other proceeding to which such Lender, L/C Issuer or Agent or any of their Related Persons is a party or bound, or to the extent necessary to respond to public statements or disclosures by Credit Parties or their Related Persons referring to a Lender, L/C Issuer or Agent or any of their Related Persons. In the event of any conflict between the terms of this Section 10.10 and those of any other Contractual Obligation entered into with any Credit Party (whether or not a Loan Document), the terms of this Section 10.10 shall govern. Each Credit Party consents to the publication by Agent or any Lender of advertising material relating to the financing transactions contemplated by this Agreement using a Borrower's or any other Credit Party's name, product photographs, logo or trademark. Agent or such Lender shall provide a draft of any advertising material to Borrower Representative for review and comment prior to the publication thereof.

10.11 Set-off; Sharing of Payments.

(a) Right of Setoff. Each of Agent, each Lender, each L/C Issuer and each Affiliate (including each branch office thereof) of any of them is hereby authorized, without notice or demand (each of which is hereby waived by each Credit Party), at any time and from time to time during the continuance of any Event of Default and to the fullest extent permitted by applicable Requirements of Law, to set off and apply any and all deposits (whether general or special, time or demand, provisional or final) at any time held and other Indebtedness, claims or other obligations at any time owing by Agent, such Lender, such L/C Issuer or any of their respective Affiliates to or for the credit or the account of the Borrowers or any other Credit Party against any Obligation of any Credit Party now or hereafter existing, whether or not any demand was made under any Loan Document with respect to such Obligation and even though such Obligation may be unmatured. No Lender or L/C Issuer shall exercise any such right of setoff without the prior consent of Agent or Required Lenders. Each of Agent, each Lender and each L/C Issuer agrees promptly to notify Borrower Representative and Agent after any such setoff and application made by such Lender or its Affiliates; provided, however, that the failure to give such notice shall not affect the validity of such setoff and application. The rights under this Section 10.11 are in addition to any other rights and remedies (including other rights of setoff) that Agent, the Lenders, the L/C Issuer, their Affiliates and the other Secured Parties, may have.

(b) Sharing of Payments, Etc. If any Lender, directly or through an Affiliate or branch office thereof, obtains any payment of any Obligation of any Credit Party (whether voluntary, involuntary or through the exercise of any right of setoff or the receipt of any Collateral or "proceeds" (as defined under the applicable UCC) of Collateral) (and other than pursuant to Section 10.9, Section 10.22, Article XI or any purchase option pursuant to any intercreditor agreement or any subordination agreement to which Agent is a party or any payment to a Lender that has not accepted an Extension Offer in respect of the original terms of those of its Loan and Commitments that, as to Lenders that accepted such Extension Offer, were extended as to such Lenders) and such payment exceeds the amount such Lender would have been entitled to receive if all payments had gone to, and been distributed by, Agent in accordance with the provisions of the Loan Documents, such Lender shall purchase for cash from other Lenders such participations in their Obligations as necessary for such Lender to share such excess payment with such Lenders to ensure such payment is applied as though it had been received by Agent and applied in accordance with this Agreement (or, if such application would then be at the discretion of the Borrowers, applied to repay the Obligations in accordance herewith); provided, however, that (i) if such payment is rescinded or otherwise recovered from such Lender or L/C Issuer in whole or in part, such purchase shall be rescinded and the purchase price therefor shall be returned to such Lender or L/C Issuer without interest and (ii) such Lender shall, to the fullest extent permitted by applicable Requirements of Law, be able to exercise all its rights of payment (including the right of setoff) with respect to such

participation as fully as if such Lender were the direct creditor of the applicable Credit Party in the amount of such participation. If a Non-Funding Lender receives any such payment as described in the previous sentence, such Lender shall turn over such payments to Agent in an amount that would satisfy the cash collateral requirements set forth in subsection 2.11(e).

10.12 Counterparts. This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart. Delivery of an executed signature page of this Agreement by facsimile transmission or Electronic Transmission shall be as effective as delivery of a manually executed counterpart hereof.

10.13 Severability; Facsimile Signature. The illegality or unenforceability of any provision of this Agreement or any instrument or agreement required hereunder shall not in any way affect or impair the legality or enforceability of the remaining provisions of this Agreement or any instrument or agreement required hereunder. The captions and headings of this Agreement are for convenience of reference only and shall not affect the interpretation of this Agreement. Any Loan Document, or other agreement, document or instrument, delivered by facsimile transmission shall have the same force and effect as if the original thereof had been delivered.

10.14 Captions The captions and headings of this Agreement are for convenience of reference only and shall not affect the interpretation of this Agreement.

10.15 Independence of Provisions. The parties hereto acknowledge that this Agreement and other Loan Documents may use several different limitations, tests or measurements to regulate the same or similar matters, and that such limitations, tests and measurements are cumulative and must each be performed, except as expressly stated to the contrary in this Agreement

10.16 Interpretation. This Agreement is the result of negotiations among and has been reviewed by counsel to the Credit Parties, Agent, each Lender and other parties hereto, and is the product of all parties hereto. Accordingly, this Agreement and the other Loan Documents shall not be construed against the Lenders or Agent merely because of Agent's or Lenders' involvement in the preparation of such documents and agreements. Without limiting the generality of the foregoing, each of the parties hereto has had the advice of counsel with respect to Sections 10.18 and 10.19.

10.17 No Third Parties Benefited. This Agreement is made and entered into for the sole protection and legal benefit of the Borrowers, the Lenders, the L/C Issuers party hereto**,** Agent and, subject to the provisions of Section 9.11, each other Secured Party, and their permitted successors and assigns, and no other Person shall be a direct or indirect legal beneficiary of, or have any direct or indirect cause of action or claim in connection with, this Agreement or any of the other Loan Documents. Neither Agent nor any Lender shall have any obligation to any Person not a party to this Agreement or the other Loan Documents.

10.18 Governing Law and Jurisdiction.

(a) Governing Law. The laws of the State of New York shall govern all matters arising out of, in connection with or relating to this Agreement, including its validity, interpretation, construction, performance and enforcement (including any claims sounding in contract or tort law arising out of the subject matter hereof and any determinations with respect to post-judgment interest).

(b) Submission to Jurisdiction. Any legal action or proceeding with respect to any Loan Document may be brought in the courts of the State of New York located in the City of New York, Borough of Manhattan, or of the United States of America for the Southern District of New York and, by execution and delivery of this Agreement, each Borrower and each other Credit Party executing this Agreement hereby accepts for itself and in respect of its Property, generally and unconditionally, the jurisdiction of the aforesaid courts; provided that nothing in this Agreement shall limit the right of Agent to commence any proceeding in the federal or state courts of any other jurisdiction to the extent Agent determines that such action is necessary or appropriate to exercise its rights or remedies under the Loan Documents. The parties hereto (and, to the extent set forth in any other Loan Document, each other Credit Party) hereby irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of forum *non conveniens*, that any of them may now or hereafter have to the bringing of any such action or proceeding in such jurisdictions.

(c) Service of Process. Each Credit Party hereby irrevocably waives personal service of any and all legal process, summons, notices and other documents and other service of process of any kind and consents to such service in any suit, action or proceeding brought in the United States of America with respect to or otherwise arising out of or in connection with any Loan Document by any means permitted by applicable Requirements of Law, including by the mailing thereof (by registered or certified mail, postage prepaid) to the address of the Borrowers specified herein (and shall be effective when such mailing shall be effective, as provided therein). Each Credit 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.

(d) Non-Exclusive Jurisdiction. Nothing contained in this Section 9.18 shall affect the right of Agent or any Lender to serve process in any other manner permitted by applicable Requirements of Law or commence legal proceedings or otherwise proceed against any Credit Party in any other jurisdiction.

10.19 Waiver of Jury Trial. THE PARTIES HERETO, TO THE EXTENT PERMITTED BY LAW, WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING ARISING OUT OF, IN CONNECTION WITH OR RELATING TO, THIS AGREEMENT, THE OTHER LOAN DOCUMENTS AND ANY OTHER TRANSACTION CONTEMPLATED HEREBY AND THEREBY. THIS WAIVER APPLIES TO ANY ACTION, SUIT OR PROCEEDING WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE. EACH PARTY HERETO (A) CERTIFIES THAT NO OTHER PARTY AND NO RELATED PERSON 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 THE LOAN DOCUMENTS, AS APPLICABLE, BY THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

10.20 Entire Agreement; Release; Survival.

(a) THE LOAN DOCUMENTS EMBODY THE ENTIRE AGREEMENT OF THE PARTIES AND SUPERSEDE ALL PRIOR AGREEMENTS AND UNDERSTANDINGS RELATING TO THE SUBJECT MATTER THEREOF AND ANY PRIOR LETTER OF INTEREST, COMMITMENT LETTER, CONFIDENTIALITY AND SIMILAR AGREEMENTS INVOLVING ANY CREDIT PARTY AND ANY LENDER OR ANY L/C ISSUER OR ANY OF THEIR RESPECTIVE AFFILIATES RELATING TO A FINANCING OF SUBSTANTIALLY SIMILAR FORM, PURPOSE OR EFFECT OTHER THAN THE FEE LETTER. IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THIS AGREEMENT AND ANY OTHER LOAN DOCUMENT, THE TERMS OF THIS AGREEMENT SHALL GOVERN (UNLESS OTHERWISE EXPRESSLY STATED IN SUCH OTHER LOAN DOCUMENTS OR SUCH

TERMS OF SUCH OTHER LOAN DOCUMENTS ARE NECESSARY TO COMPLY WITH APPLICABLE REQUIREMENTS OF LAW, IN WHICH CASE SUCH TERMS SHALL GOVERN TO THE EXTENT NECESSARY TO COMPLY THEREWITH).

(b) Execution of this Agreement by the Credit Parties constitutes a full, complete and irrevocable release of any and all claims which each Credit Party may have at law or in equity in respect of all prior discussions and understandings, oral or written, relating to the subject matter of this Agreement and the other Loan Documents. In no event shall any Indemnitee be liable on any theory of liability for any special, indirect, consequential or punitive damages (including any loss of profits, business or anticipated savings). Each of each Borrower and each other Credit Party signatory hereto hereby waives, releases and agrees (and shall cause each other Credit Party to waive, release and agree) not to sue upon any such claim for any special, indirect, consequential or punitive damages, whether or not accrued and whether or not known or suspected to exist in its favor.

(c) (i) Any indemnification or other protection provided to any Indemnitee pursuant to Article IX (Agent), this Section 10.20, Section 10.5 (Costs and Expenses), and Section 10.6 (Indemnity), and Article XI (Taxes, Yield Protection and Illegality), (ii) solely for the two (2) year time period specified therein, the provisions of Section 10.10 (Confidentiality) and (iii) the provisions of Section 8.1 of the Guaranty and Security Agreement, in each case, shall (x) survive the termination of the Commitments and the payment in full of all other Obligations and (y) with respect to clause (i) above, inure to the benefit of any Person that at any time held a right thereunder (as an Indemnitee or otherwise) and, thereafter, its successors and permitted assigns.

10.21 Patriot Act. Each Lender that is subject to the Patriot Act (and Agent (for itself and not on behalf of any Lender)) hereby notifies the Credit Parties 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 Agent to identify each Credit Party in accordance with the Patriot Act.

10.22 Replacement of Lender. Within forty-five days after: (i) receipt by Borrower Representative of written notice and demand from (A) any Lender (an "**Affected Lender**") for payment of additional costs as provided in Sections 11.1, 11.3 and/or 10.6 or that has become a Non-Funding Lender or (B) any SPV or participant (an "**Affected SPV/Participant**") for payment of additional costs as provided in Section 10.9(f), unless the option or participation of such Affected SPV/Participant shall have been terminated prior to the exercise by the Borrowers of their rights hereunder; or (ii) any failure by any Lender (other than Agent or an Affiliate of Agent) to consent to a requested amendment, waiver or modification to any Loan Document in which Required Lenders have already consented to such amendment, waiver or modification but the consent of each Lender (or each Lender directly affected thereby, as applicable) is required with respect thereto or any failure by any Lender to accept any Extension Offer, Borrower Representative may, at its option, notify (A) in the case of clause (i)(A) or (ii) above, Agent and such Affected Lender (or defaulting or non-consenting Lender) of the Borrowers' intention to obtain, at the Borrowers' expense, a replacement Lender ("**Replacement Lender**") for such Affected Lender (or such non-consenting Lender), or (B) in the case of clause (i)(B) above, Agent, such Affected SPV/Participant, if known, and the applicable Lender (such Lender, a "**Participating Lender**") that (1) granted to such Affected SPV/Participant the option to make all or any part of any Loan that such Participating Lender would otherwise be required to make hereunder or (2) sold to such Affected SPV/Participant a participation in or to all or a portion of its rights and obligations under the Loan Documents, of the Borrowers' intention to obtain, at the Borrowers' expense, a Replacement Lender for such Participating Lender, in each case, which Replacement Lender shall be reasonably satisfactory to Agent. In the event the Borrowers obtain a Replacement Lender within forty-five (45) days following notice of its intention to do so, the Affected Lender (or such non-consenting Lender) or Participating Lender, as the case may be, shall sell and assign its Loans and Commitments to such Replacement Lender, at par, provided that the Borrowers have reimbursed such Affected

Lender or Affected SPV/Participant, as applicable, for its increased costs for which it is entitled to reimbursement under this Agreement through the date of such sale and assignment, and in the case of a Participating Lender being replaced by a Replacement Lender, (x) all right, title and interest in and to the Obligations and Commitments so assigned to the Replacement Lender shall be assigned free and clear of all Liens or other claims (including pursuant to the underlying option or participation granted or sold to the Affected SPV/Participant, but without affecting any rights, if any, of the Affected SPV/Participant to the proceeds constituting the purchase price thereof) of the Affected SPV/Participant, and (y) to the extent required by the underlying option or participation documentation, such Participating Lender shall apply all or a portion of the proceeds received by it as a result of such assignment, as applicable, to terminate in full the option or participation of such Affected SPV/Participant. In the event that a replaced Lender does not execute an Assignment pursuant to Section 10.9 within five (5) Business Days after receipt by such replaced Lender of notice of replacement pursuant to this Section 10.22 and presentation to such replaced Lender of an Assignment evidencing an assignment pursuant to this Section 10.22, the Borrowers shall be entitled (but not obligated) to execute such an Assignment on behalf of such replaced Lender, and any such Assignment so executed by Borrower Representative, the Replacement Lender and Agent, shall be effective for purposes of this Section 10.22 and Section 10.9. Notwithstanding the foregoing, with respect to a Lender that is a Non-Funding Lender or Impacted Lender, Agent may, but shall not be obligated to, obtain a Replacement Lender and execute an Assignment on behalf of such Non-Funding Lender or Impacted Lender at any time with three (3) Business Days' prior notice to such Lender (unless notice is not practicable under the circumstances) and cause such Lender's Loans and Commitments to be sold and assigned, in whole or in part, at par. Upon any such assignment and payment and compliance with the other provisions of Section 10.9, such replaced Lender shall no longer constitute a "**Lender**" for purposes hereof; provided, any rights of such replaced Lender to indemnification hereunder shall survive as to such replaced Lender.

10.23 Joint and Several. The obligations of the Credit Parties hereunder and under the other Loan Documents are joint and several. Without limiting the generality of the foregoing, reference is hereby made to Article II of the Guaranty and Security Agreement, to which the obligations of Borrowers and the other Credit Parties are subject.

10.24 Creditor-Debtor Relationship. The relationship between Agent, each Lender and the L/C Issuer, on the one hand, and the Credit Parties, on the other hand, is solely that of creditor and debtor. No Secured Party has any fiduciary relationship or duty to any Credit Party arising out of or in connection with, and there is no agency, tenancy or joint venture relationship between the Secured Parties and the Credit Parties by virtue of, any Loan Document or any transaction contemplated therein.

10.25 Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Credit Party to honor all of its obligations under the Guaranty and Security Agreement in respect of Swap Obligations under any Secured Rate Contract (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 10.25 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 10.25, or otherwise under the Guaranty and Security Agreement, voidable under applicable Requirements of Law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section 10.25 shall remain in full force and effect until the guarantees in respect of Swap Obligations under each Secured Rate Contract have been discharged, or otherwise released or terminated in accordance with the terms of this Agreement. Each Qualified ECP Guarantor intends that this Section 10.25 constitute, and this Section 10.25 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Credit Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

10.26 Judgment Currency.

(a) If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder in any currency (the "Original Currency") into another currency (the "Other Currency"), the parties hereto agree, to the fullest extent permitted by law, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, the Agent could purchase the Original Currency with such Other Currency in New York, New York on the Business Day immediately preceding the day on which any such judgment, or any relevant part thereof, is given.

(b) The obligations of the Borrowers in respect of any sum due from it to the Agent, the L/C Issuer or Lenders hereunder shall, notwithstanding any judgment in such Other Currency, be discharged only to the extent that on the Business Day following receipt by Agent, L/C Issuer or such Lender of any sum adjudged to be so due in such Other Currency, the Agent, L/C Issuer or such Lender may in accordance with normal banking procedures purchase the Original Currency with such Other Currency. If the Original Currency so purchased is less than the sum originally due the Agent, L/C Issuer or such Lender in the Original Currency, Borrowers agree, as a separate obligation and notwithstanding any such judgment, to indemnify the Agent, L/C Issuer or such Lender against such loss, and if the Original Currency so purchased exceeds the sum originally due to the Agent, L/C Issuer or such Lender in the Original Currency, the Agent, the L/C Issuer or such Lender shall remit such excess to the Borrowers.

10.27 Amendment and Restatement.

(a) Amendment and Restatement; No Novation. On the Closing Date, the Existing Credit Agreement shall be amended and restated in its entirety by this Agreement and (i) all references to the Existing Credit Agreement in any Loan Document other than this Agreement (including in any amendment, waiver or consent) shall be deemed to refer to the Existing Credit Agreement as amended and restated hereby, (ii) all references to any section (or subsection) of the Existing Credit Agreement in any Loan Document (but not herein) shall be amended to be, mutatis mutandis, references to the corresponding provisions of this Agreement and (iii) except as the context otherwise provides, all references to this Agreement herein (including for purposes of indemnification and reimbursement of fees) shall be deemed to be reference to the Existing Credit Agreement as amended and restated hereby. This Agreement is not intended to constitute, and does not constitute, a novation of the obligations and liabilities under the Existing Credit Agreement (including the Obligations) or to evidence payment of all or any portion of such obligations and liabilities.

(b) Effect on Existing Credit Agreement and on the Obligations. On and after the Closing Date, (i) the Existing Credit Agreement shall be of no further force and effect except as amended and restated hereby and except to evidence (A) the incurrence by any Credit Party of the "Obligations" under and as defined therein (whether or not such "Obligations" are contingent as of the Closing Date), (B) the representations and warranties made by any Credit Party prior to the Closing Date and (C) any action or omission performed or required to be performed pursuant to such Existing Credit Agreement prior to the Closing Date (including any failure, prior to the Closing Date, to comply with the covenants contained in such Existing Credit Agreement) and (ii) the terms and conditions of this Agreement and the Secured Parties' rights and remedies under the Loan Documents, shall apply to all Obligations incurred under the Existing Credit Agreement.

(c) No Implied Waivers. Except as expressly provided in any Loan Document, this Agreement (x) shall not cure any breach of the Existing Credit Agreement or any "Default" or "Event of Default" thereunder existing prior to the Closing Date and (y) is limited as written and is not a consent to any other modification of any term or condition of any Loan Document, each of which shall remain in full force and effect.

(d) Reaffirmation of Liens. Each of the Borrowers reaffirms the Liens granted pursuant to the Collateral Documents to the Agent for the benefit of the Secured Parties, which Liens shall continue in full force and effect during the term of this Agreement and any renewals or extensions thereof and shall continue to secure the Obligations.

ARTICLE XI

TAXES, YIELD PROTECTION AND ILLEGALITY

11.1 Taxes.

(a) Except as otherwise provided in this Section 11.1, or as required by a Requirement of Law, each payment by any Credit Party to any Secured Party under any Loan Document shall be made free and clear of all present or future taxes, levies, duties, imposts, deductions, charges or withholdings (including back-up withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax, penalties or other Liabilities with respect thereto (and without deduction for any of them) (collectively, "**Taxes**") other than any Excluded Tax with respect to such payment.

(b) If any Taxes shall be required by any Requirement of Law to be deducted from or in respect of any amount payable under any Loan Document to any Secured Party (as determined in good faith by the relevant Credit Party) (i) if such Tax is an Indemnified Tax, such amount payable by the relevant Credit Party shall be increased as necessary to ensure that, after all required deductions for Indemnified Taxes are made (including deductions applicable to any increases to any amount under this Section 11.1), such Secured Party receives the amount it would have received had no such deductions been made, (ii) the relevant Credit Party shall make such deductions, (iii) the relevant Credit Party shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with applicable Requirements of Law and (iv) within 30 days after such payment is made, the relevant Credit Party shall deliver to Agent an original or certified copy of a receipt evidencing such payment or other evidence of payment reasonably satisfactory to Agent; provided, however, that no such increase shall be made with respect to, and no Credit Party shall be required to indemnify any Secured Party pursuant to clause (e) below for, withholding taxes to the extent that the obligation to withhold amounts existed on the date that such Person became a 'Secured Party" under this Agreement in the capacity under which such Person makes a claim under this clause (b), except in each case to the extent such Person is a direct or indirect assignee (other than pursuant to Section 10.22) of any other Secured Party that was entitled, at the time the assignment to such Person became effective, to receive additional amounts under this clause (b).

(c) In addition, the Borrowers agree to pay, and authorize Agent to pay in their name, any stamp, documentary, excise or property Tax, charges or similar levies imposed by any applicable Requirement of Law or Governmental Authority and all Liabilities with respect thereto (including by reason of any delay in payment thereof), in each case arising from the execution, delivery or registration of, or otherwise with respect to, any Loan Document or any transaction contemplated therein except any such Taxes that are Other Connection Taxes imposed in connection with an assignment (other than an assignment made pursuant to Section 10.22) (collectively, "**Other Taxes**"). The Swingline Lender may, without any need for notice, demand or consent from the Borrowers or Borrower Representative, by making funds available to Agent in the amount equal to any such payment, make a Swing Loan to the Borrowers in such amount, the proceeds of which shall be used by Agent in whole to make such payment. Within 30 days after the date of any payment of Other Taxes by any Credit Party, the Borrowers shall furnish to Agent, at its address referred to in

Section 10.2, the original or a certified copy of a receipt evidencing payment thereof or other evidence of payment reasonably satisfactory to Agent.

(d) The Credit Parties hereby acknowledge and agree that (i) neither HFS nor any Affiliate of HFS has provided any Tax advice to any Tax Affiliate in connection with the transactions contemplated hereby or any other matters and (ii) the Credit Parties have received appropriate Tax advice to the extent necessary to confirm that the structure of any transaction contemplated by the Credit Parties in connection with this Agreement complies in all material respects with applicable federal, state and foreign Tax laws.

(e) The Borrowers shall reimburse and indemnify, within 30 days after receipt of demand therefor (with copy to Agent), each Secured Party for all Indemnified Taxes (including any Indemnified Taxes imposed by any jurisdiction on amounts payable under this Section 11.1) paid or payable by such Secured Party and any Liabilities (including any reasonable fees and expenses) arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally asserted. A certificate of the Secured Party (or of Agent on behalf of such Secured Party) claiming any compensation under this clause (e), setting forth the amounts to be paid thereunder and delivered to Borrower Representative with copy to Agent, shall be conclusive, binding and final for all purposes, absent manifest error. In determining such amount, Agent and such Secured Party may use any reasonable averaging and attribution methods.

(f) Any Lender claiming any additional amounts payable pursuant to this Section 11.1 shall use its reasonable efforts (consistent with its internal policies and Requirements of Law) to change the jurisdiction of its Lending Office if such a change would reduce any such additional amounts (or any similar amount that may thereafter accrue) and would not, in the sole determination of such Lender, be otherwise disadvantageous to such Lender.

(g) (i)Each Non-U.S. Lender Party that, at any of the following times, is entitled to an exemption from United States withholding Tax or, after a change in any Requirement of Law, is subject to such withholding Tax at a reduced rate under an applicable Tax treaty, shall (w) on or prior to the date such Non-U.S. Lender Party becomes a "Non-U.S. Lender Party" hereunder, (x) on or prior to the date on which any such form or certification expires or becomes obsolete, (y) after the occurrence of any event requiring a change in the most recent form or certification previously delivered by it pursuant to this clause (i) and (z) from time to time if requested by Borrower Representative or Agent (or, in the case of a participant or SPV, the relevant Lender), provide Agent and Borrower Representative (or, in the case of a participant or SPV, the relevant Lender) with two properly completed and executed originals of each of the following, as applicable: (A) Forms W-8ECI (claiming exemption from U.S. withholding Tax because the income is effectively connected with a U.S. trade or business), W-8BEN or W-8BEN-E (claiming exemption from, or a reduction of, U.S. withholding Tax under an applicable income Tax treaty) and/or W-8IMY (together with appropriate forms, certifications and supporting statements with respect to each beneficial owner, provided that if the Non-U.S. Lender Party is a partnership for U.S. Tax purposes and one or more direct or indirect partners of such Non-U.S. Lender Party are claiming the portfolio interest exemption, such Non-U.S. Lender Party may provide a U.S. Tax Compliance Certificate on behalf of each such direct or indirect partner) or any successor forms, (B) in the case of a Non-U.S. Lender Party claiming exemption under Sections 871(h) or 881(c) of the Code, Form W-8BEN or W-8BEN-E (claiming exemption from U.S. withholding Tax under the portfolio interest exemption) or any successor form and a certificate (a "U.S. Tax Compliance Certificate") in form and substance acceptable to Agent that such Non-U.S. Lender Party is not (1) a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (2) a "10 percent shareholder" of the Borrowers within the meaning of Section 881(c)(3)(B) of the Code or (3) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code or (C) any other applicable document prescribed by the IRS, properly completed and executed, certifying as to the entitlement of such Non-U.S. Lender Party to such exemption from United States withholding Tax or

reduced rate with respect to all payments to be made to such Non-U.S. Lender Party under the Loan Documents. Unless Borrower Representative and Agent have received forms or other documents satisfactory to them indicating that payments under any Loan Document to or for a Non-U.S. Lender Party are not subject to United States withholding Tax or are subject to such Tax at a rate reduced by an applicable Tax treaty, the Credit Parties and Agent shall withhold amounts required to be withheld by applicable Requirements of Law from such payments at the applicable statutory rate.

(ii) Each U.S. Lender Party shall (A) on or prior to the date such U.S. Lender Party becomes a "U.S. Lender Party" hereunder, (B) on or prior to the date on which any such form or certification expires or becomes obsolete, (C) after the occurrence of any event requiring a change in the most recent form or certification previously delivered by it pursuant to this clause (g) and (D) from time to time if requested by Borrower Representative or Agent (or, in the case of a participant or SPV, the relevant Lender), provide Agent and Borrower Representative (or, in the case of a participant or SPV, the relevant Lender) with two properly completed and executed originals of Form W-9 (certifying that such U.S. Lender Party is entitled to an exemption from U.S. backup withholding Tax) or any successor form and any additional documentation reasonably requested by Borrower Representative or Agent to enable it to determine whether or not such U.S. Lender Party is subject to backup withholding or information reporting requirements.

(iii) Each Lender having sold a participation in any of its Obligations or identified an SPV as such to Agent shall collect from such participant or SPV the documents described in this clause (g) and provide them to Agent.

(iv) If a payment made to a Non-U.S. Lender Party would be subject to U.S. federal withholding Tax imposed by FATCA if such Non-U.S. Lender Party fails to comply with the applicable reporting requirements of FATCA, such Non-U.S. Lender Party shall deliver to Agent and Borrower Representative, at such times prescribed by Requirements of Law or reasonably requested by Agent or Borrower Representative, any documentation under any Requirement of Law or reasonably requested by Agent or Borrower Representative sufficient for Agent or Borrowers to comply with their obligations under FATCA and to determine that such Non-U.S. Lender has complied with its obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for the purposes of this clause (iv), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(h) If any Secured Party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 11.1 (including by the payment of additional amounts pursuant to Section 11.1(b)), it shall pay to the relevant Credit Party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 11.1 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such Secured Party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such Credit Party, upon the request of such Secured Party, shall repay to such Secured Party the amount paid over pursuant to this Section 11.1(h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such Secured Party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 11.1(h), in no event shall the Secured Party be required to pay any amount to a Credit Party pursuant to this Section 11.1(h) the payment of which would place the Secured Party in a less favorable net after-Tax position than the Secured Party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Section 11.1(h) shall not be construed to require any Secured Party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Credit Party or any other Person.

(i) Notwithstanding anything to the contrary in this Agreement, no Excluded Foreign Subsidiary shall have any obligation to make an indemnity payment, or have liability for any amounts, under this Section 11.1, with respect to an "obligation of a United States person" within the meaning of Section 956(c) of the Code and the Treasury Regulations promulgated thereunder (taking into account any exceptions provided therein).

(j) Each party's obligations under this Section 11.1 shall survive the resignation or replacement of the Agent or any assignment of rights by, or the replacement of, a Secured Party, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

11.2 Illegality. If after the Initial Closing Date any Lender shall determine that the introduction of any Requirement of Law, or any change in any Requirement of Law or in the interpretation or administration thereof, has made it unlawful, or that any central bank or other Governmental Authority has asserted that it is unlawful, for any Lender or its Lending Office to make LIBOR Rate Loans, then, on notice thereof by such Lender to the Borrowers through Agent, the obligation of that Lender to make LIBOR Rate Loans shall be suspended until such Lender shall have notified Agent and Borrower Representative that the circumstances giving rise to such determination no longer exists.

(a) Subject to clause (c) below, if any Lender shall determine that it is unlawful to maintain any LIBOR Rate Loan, the Borrowers shall prepay in full all LIBOR Rate Loans of such Lender then outstanding, together with interest accrued thereon, either on the last day of the Interest Period thereof if such Lender may lawfully continue to maintain such LIBOR Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such LIBOR Rate Loans, together with any amounts required to be paid in connection therewith pursuant to Section 11.4.

(b) If the obligation of any Lender to make or maintain LIBOR Rate Loans has been terminated, Borrower Representative may elect, by giving notice to such Lender through Agent that all Loans which would otherwise be made by any such Lender as LIBOR Rate Loans shall be instead Base Rate Loans.

(c) Before giving any notice to Agent pursuant to this Section 11.2, the affected Lender shall designate a different Lending Office with respect to its LIBOR Rate Loans if such designation will avoid the need for giving such notice or making such demand and will not, in the judgment of the Lender, be illegal or otherwise disadvantageous to the Lender.

11.3 Increased Costs and Reduction of Return.

(a) If any Lender or L/C Issuer shall determine that, due to either (i) the introduction of, or any change in, or in the interpretation of, any Requirement of Law or (ii) the compliance with any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law), in the case of either clause (i) or (ii) subsequent to the Initial Closing Date, (x) there shall be any increase in the cost to such Lender or L/C Issuer of agreeing to make or making, funding or maintaining any LIBOR Rate Loans or of Issuing or maintaining any Letter of Credit or (y) the Lender or L/C Issuer shall be subject to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto, then the Borrowers shall be liable for, and shall from time to time, within thirty (30) days of demand therefor by such Lender or L/C Issuer (with a copy of such demand to Agent), pay to Agent for the account of such Lender or L/C

Issuer, additional amounts as are sufficient to compensate such Lender or L/C Issuer for such increased costs or such Taxes; provided, that the Borrowers shall not be required to compensate any Lender or L/C Issuer pursuant to this Section 11.3(a) for any increased costs incurred more than 180 days prior to the date that such Lender or L/C Issuer notifies Borrower Representative, in writing of the increased costs and of such Lender's or L/C Issuer's intention to claim compensation thereof; provided, further, that if the circumstance giving rise to such increased costs is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

(b) If any Lender or L/C Issuer shall have determined that:

(i) the introduction of any Capital Adequacy Regulation;

(ii) any change in any Capital Adequacy Regulation;

(iii) any change in the interpretation or administration of any Capital Adequacy Regulation by any central bank or other Governmental Authority charged with the interpretation or administration thereof; or

(iv) compliance by such Lender or L/C Issuer (or its Lending Office) or any entity controlling the Lender or L/C Issuer, with any Capital Adequacy Regulation;

affects the amount of capital required or expected to be maintained by such Lender or L/C Issuer or any entity controlling such Lender or L/C Issuer and (taking into consideration such Lender's or such entities' policies with respect to capital adequacy and such Lender's or L/C Issuer's desired return on capital) determines that the amount of such capital is increased as a consequence of its Commitment(s), loans, credits or obligations under this Agreement, then, within thirty (30) days of demand of such Lender or L/C Issuer (with a copy to Agent), the Borrowers shall pay to such Lender or L/C Issuer, from time to time as specified by such Lender or L/C Issuer, additional amounts sufficient to compensate such Lender or L/C Issuer (or the entity controlling the Lender or L/C Issuer) for such increase; provided, that the Borrowers shall not be required to compensate any Lender or L/C Issuer pursuant to this Section 11.3(b) for any amounts incurred more than 180 days prior to the date that such Lender or L/C Issuer notifies Borrower Representative, in writing of the amounts and of such Lender's or L/C Issuer's intention to claim compensation thereof; provided, further, that if the event giving rise to such increase is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

(c) Notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case in respect of this clause (ii) pursuant to Basel III, shall, in each case, be deemed to be a change in a Requirement of Law under Section 11.3(a) above and/or a change in Capital Adequacy Regulation under Section 11.3(b) above, as applicable, regardless of the date enacted, adopted or issued.

11.4 Funding Losses. The Borrowers agree to reimburse each Lender and to hold each Lender harmless from any loss or expense which such Lender may sustain or incur as a consequence of:

(a) the failure of the Borrowers to make any payment or mandatory prepayment of principal of any LIBOR Rate Loan (including payments made after any acceleration thereof);

(b) the failure of the Borrowers to borrow, continue or convert a Loan after Borrower Representative has given (or is deemed to have given) a Notice of Borrowing or a Notice of Conversion/Continuation;

(c) the failure of the Borrowers to make any prepayment after the Borrowers have given a notice in accordance with Section 2.7;

(d) the prepayment (including pursuant to Section 2.8) of a LIBOR Rate Loan on a day which is not the last day of the Interest Period with respect thereto; or

(e) the conversion pursuant to Section 2.6 of any LIBOR Rate Loan to a Base Rate Loan on a day that is not the last day of the applicable Interest Period;

including any such loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain its LIBOR Rate Loans hereunder or from fees payable to terminate the deposits from which such funds were obtained; provided that, with respect to the expenses described in clauses (d) and (e) above, such Lender shall have notified Agent of any such expense within two (2) Business Days of the date on which such expense was incurred. Solely for purposes of calculating amounts payable by the Borrowers to the Lenders under this Section 11.4 and under subsection 11.3(a): each LIBOR Rate Loan made by a Lender (and each related reserve, special deposit or similar requirement) shall be conclusively deemed to have been funded at the LIBOR used in determining the interest rate for such LIBOR Rate Loan by a matching deposit or other borrowing in the interbank Eurodollar market for a comparable amount and for a comparable period, whether or not such LIBOR Rate Loan is in fact so funded.

11.5 Inability to Determine Rates. If Agent shall have determined in good faith that for any reason adequate and reasonable means do not exist for ascertaining the LIBOR for any requested Interest Period with respect to a proposed LIBOR Rate Loan or that the LIBOR applicable pursuant to subsection 2.3(a) for any requested Interest Period with respect to a proposed LIBOR Rate Loan does not adequately and fairly reflect the cost to the Lenders of funding or maintaining such Loan, Agent will forthwith give notice of such determination to Borrower Representative and each Lender. Thereafter, the obligation of the Lenders to make or maintain LIBOR Rate Loans hereunder shall be suspended until Agent revokes such notice in writing. Upon receipt of such notice, Borrower Representative may revoke any Notice of Borrowing or Notice of Conversion/Continuation then submitted by it. If Borrower Representative does not revoke such notice, the Lenders shall make, convert or continue the Loans, as proposed by Borrower Representative, in the amount specified in the applicable notice submitted by Borrower Representative, but such Loans shall be made, converted or continued as Base Rate Loans.

11.6 Reserves on LIBOR Rate Loans. The Borrowers shall pay to each Lender, as long as such Lender shall be required under regulations of the Federal Reserve Board to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency funds or deposits (currently known as "**Eurocurrency liabilities**"), additional costs on the unpaid principal amount of each LIBOR Rate Loan equal to actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive absent demonstrable error), payable on each date on which interest is payable on such Loan provided Borrower Representative shall have received at least fifteen (15) days' prior written notice (with a copy to Agent) of such additional interest from the Lender. If a Lender fails to give notice fifteen (15) days prior to the relevant Interest Payment Date, such additional interest shall be payable fifteen (15) days from receipt of such notice.

11.7 Certificates of Lenders. Any Lender claiming reimbursement or compensation pursuant to this Article XI shall deliver to Borrower Representative (with a copy to Agent) a certificate setting forth in reasonable detail the amount payable to such Lender hereunder and such certificate shall be conclusive and binding on the Borrowers in the absence of manifest error.

[Signature Pages Follow.]

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

BORROWERS:

CRYOLIFE, INC., as a Borrower and as Borrower Representative

By: /s/ D. Ashley Lee
Name: D. Ashley Lee
Title: Chief Financial Officer

Address for notices:

1655 Roberts Blvd., NW
Kennesaw, Georgia 30144
Attn: D. Ashley Lee
Facsimile: (770) 590-3754

Address for wire transfers:
SunTrust Bank
Atlanta, Georgia
ABA No: 061-000-104
Account No: 1000007819484
Account Name: CryoLife, Inc. – Operating Account

ON-X LIFE TECHNOLOGIES HOLDINGS, INC.

By: /s/ D. Ashley Lee_____
Name: D. Ashely Lee
Title: Chief Financial Officer

CREDIT PARTIES:

AURAZYME PHARMACEUTICALS, INC.

By: /s/ D. Ashley Lee_____
Name: D. Ashley Lee
Title: Chief Financial Officer

CRYOLIFE INTERNATIONAL, INC.

By: /s/ D. Ashley Lee_____
Name: D. Ashely Lee
Title: Chief Financial Officer

ON-X LIFE TECHNOLOGIES, INC.

By: /s/ D. Ashley Lee_____
Name: D. Ashely Lee
Title: Chief Financial Officer

VALVE SPECIAL PURPOSE CO., LLC

By:/s/ D. Ashley Lee_____
Name: D. Ashley Lee
Title: Chief Financial Officer

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

HEALTHCARE FINANCIAL SOLUTIONS, LLC, as Agent, Swingline Lender and as a Lender

By: /s/ Maryana Olman_____
Name: Maryana Olaman_____
Title: Its Duly Authorized Signatory

Address for Notices:

Healthcare Financial Solutions, LLC
Two Bethesda Metro Center, Suite 600
Bethesda, Maryland 20814
Attn: CryoLife Account Officer
Facsimile: (866) 673-0624

With a copy to:

Healthcare Financial Solutions, LLC
Two Bethesda Metro Center, Suite 600
Bethesda, Maryland 20814
Attn: Capital One Healthcare Legal Department
Facsimile: (301) 664-9866

Address for payments:

ABA No. 021-001-033
Account Number 50271079
Deutsche Bank Trust Company Americas
New York, New York
Account Name: HH CASH FLOW COLLECTIONS
Reference: CFN HFS2713 /CryoLife

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

FIFTH THIRD BANK, as a Lender

By:/s/ John McChesney_____
Name: John McChesney
Title: Associate Relationship Manager

Address for notices:

201 E. Kennedy Boulevard
Suite 1800
Tampa, Florida 33602

Lending office:

201 E. Kennedy Boulevard
Suite 1800
Tampa, Florida 33602

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

CITIZENS BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Srbui Seferian _____
Name: Srbui Seferian, CFA _____
Title: Director

Address for notices:

28 State Street
Boston, MA 02109_____
_____
_____

Lending office:

28 State Street
Boston, MA 02109

_____
_____

Schedule 1.1

Prior Indebtedness

Term loan in the aggregate outstanding principal amount of $1,925,548.30 incurred by On-X Life Technologies pursuant to the Amended and Restated Loan and Security Agreement dated as of May 15, 2008, by and among On-X Life Technologies Holdings, Inc., On-X Life Technologies, Inc., Valve Special Purpose Co., LLC and Comerica Bank.

Schedule 2.1(a)

Term Loan Commitments

Healthcare Financial Solutions, LLC	$31,578,947.37
Fifth Third Bank	$31,578,947.37
Citizens Bank, National Association	$11,842,105.26
Total:	$75,000,000.00

Schedule 2.1(b)

	Revolving Loan Commitments
Healthcare Financial Solutions, LLC	$8,421,052.63
Fifth Third Bank	$8,421,052.63
Citizens Bank, National Association	$3,157,894.74
Total:	$20,000,000.00

Schedule 5.14

Post-Closing Requirements

1. Borrowers shall deliver each Control Agreement required pursuant to Section 5.11 of the Credit Agreement no later than 60 days (or such later date as Agent may otherwise agree in writing) after the Closing Date; and

2. Borrowers shall deliver each landlord waiver, bailee waiver or mortgagee waiver required pursuant to Section 5.12 of the Credit Agreement (to the extent not previously delivered prior to the Closing Date) no later than 60 days (or such later date as Agent may otherwise agree in writing) after the Closing Date.

EXHIBIT 5.2(b)
TO
CREDIT AGREEMENT

COMPLIANCE CERTIFICATE

CryoLife, Inc.

Date: _____, 20_

This Compliance Certificate (this "***Certificate***") is given by CryoLife, Inc., a Florida corporation (the "***Borrower Representative***"), pursuant to subsection 5.2(b) of that certain Third Amended and Restated Credit Agreement dated as of January 20, 2016 among Borrower Representative and On-X Life Technologies Holdings, Inc., a Delaware corporation as the Borrowers, the other Credit Parties party thereto, Healthcare Financial Solutions, LLC, as administrative agent (in such capacity, "***Agent***"), as L/C Issuer, Swingline Lender and as a Lender, and the additional Lenders party thereto (as such agreement may be amended, restated, supplemented or otherwise modified from time to time, the "***Credit Agreement***"). Capitalized terms used herein without definition shall have the meanings set forth in the Credit Agreement.

The officer executing this Certificate is a Responsible Officer of Borrower Representative and as such is duly authorized to execute and deliver this Certificate on behalf of Borrowers. By executing this Certificate, such officer hereby certifies to Agent, Lenders and L/C Issuer, on behalf of Borrowers, that:

(a) the financial statements delivered with this Certificate in accordance with subsection 5.1(a) and/or 5.1(b) of the Credit Agreement are correct and complete and fairly present, in all material respects, in accordance with GAAP the financial position and the results of operations of Borrowers and their Subsidiaries as of the dates of and for the periods covered by such financial statements (subject, in the case of interim financial statements, to normal year-end adjustments and the absence of footnote disclosure);

(b) to the best of such officer's knowledge, each Credit Party and each of their Subsidiaries, during the period covered by such financial statements, has observed and performed all of their respective covenants and other agreements in the Credit Agreement and the other Loan Documents to be observed, performed or satisfied by them, and such officer had not obtained knowledge of any Default or Event of Default **[except as specified on the written attachment hereto];**

(c) Exhibit A hereto is a correct calculation of each of the financial covenants contained in Article VII of the Credit Agreement and of the Available Amount and Excess Cash Flow, as applicable; and

(d) since the Closing Date and except as disclosed in prior Compliance Certificates delivered to Agent, no Credit Party and no Subsidiary of any Credit Party has:

(i) changed its legal name, identity, jurisdiction of incorporation, organization or formation or organizational structure or formed or acquired any Subsidiary except as follows: _____;

(ii) acquired the assets of, or merged or consolidated with or into, any Person, except as follows: _____; or

(iii) changed its address or otherwise relocated or acquired fee simple title to any real property or entered into any real property leases, except as follows: _____ _____.

IN WITNESS WHEREOF, Borrower Representative has caused this Certificate to be executed by one of its Responsible Officers this _____ day of _____, 20__.

_____

By: _____
Its:_____

Note: Unless otherwise specified, all financial covenants are calculated for Borrowers and their Subsidiaries on a consolidated basis in accordance with GAAP and all calculations are without duplication.

EXHIBIT A TO EXHIBIT 5.2(b)
COMPLIANCE CERTIFICATE

DEFINITIONS

Calculation of Consolidated Total Indebtedness

Consolidated Total Indebtedness is defined as follows:

A.	all indebtedness for borrowed money:	_____
B.	all obligations issued, undertaken or assumed as the deferred purchase price of Property or services (including Contingent Acquisition Consideration (valued in accordance with GAAP) but excluding (i) accrued expenses and trade payables entered into in the ordinary course of business, (ii) obligations to pay for services provided by employees and individual independent contractors in the ordinary course of business, (iii) deferred compensation expenses, (iv) liabilities associated with customer prepayments and deposits, (v) prepaid or deferred revenue arising in the ordinary course of business and (vi) purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase price of an asset to satisfy unperformed obligations of the seller of such asset):	_____
C.	the face amount of all letters of credit issued for the account of such Person (or for which such Person is liable) and without duplication, all drafts drawn thereunder and all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments issued by such Person (or for which such Person is liable):	_____
D.	all obligations evidenced by notes, bonds (other than performance bonds or similar instruments), debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of Property, assets or businesses:	_____
E.	all Capital Lease Obligations:	_____
F.	Without duplication, Contingent Obligations described in clause (i) of the definition thereof in respect of indebtedness or obligations of others of the kinds referred to in clauses (A) – (E) above:	_____

Consolidated Total Indebtedness (Sum of (A) – (F) above): _____

Calculation of EBITDA and Adjusted EBITDA

EBITDA is defined as follows:

A. Net income (or loss) for the applicable period of measurement of Borrowers and their Subsidiaries on a consolidated basis determined in accordance with GAAP, but excluding: (a) the income (or loss) of any Person which is not a Subsidiary of a Borrower, except to the extent of the amount of dividends or other distributions actually paid to a Borrower or any of its Subsidiaries in cash by such Person during such period and the payment of dividends or similar distributions by that Person is not at the time prohibited by operation of the terms of its charter or of any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Person; (b) the income (or loss) of any Person accrued prior to the date it becomes a Subsidiary of a Borrower or is merged into or consolidated with a Borrower or any of its Subsidiaries or that Person's assets are acquired by a Borrower or any of its Subsidiaries; (c) the proceeds of any insurance policy (other than business interruption) to the extent included in net income (or loss); (d) gains or losses from the sale, exchange, transfer or other disposition of Property or assets not in the ordinary course of business of the Borrowers and their Subsidiaries, and related tax effects in accordance with GAAP; (e) any other extraordinary or non-recurring gains or losses of a Borrower or its Subsidiaries, and related tax effects in accordance with GAAP; and (f) interest income: $_____

B. Plus, without duplication:

1. all amounts deducted in calculating net income (or loss) for depreciation or amortization for such period: _____

2. interest expense determined in accordance with GAAP including, without limitation, amortization of debt issuance costs, debt discount or premium and other financing fees and expenses and other similar items deducted in calculating net income (or loss) for such period: _____

3. all accrued taxes on or measured by income to the extent deducted in calculating net income (or loss) for such period: _____

4. all non-cash losses or expenses (or minus non-cash income or gain) included or deducted in calculating net income (or loss) for such period, excluding any non-cash loss or expense (a) that is an accrual of a reserve for a cash expenditure or payment to be made, or anticipated to be made, in a future period (including any items which represent the reversal of any reserve for a cash expenditure or payment to be made, or anticipated to be made, that reduced EBITDA in any prior period) or (b) relating to a write-down, write off or reserve with respect to Accounts and Inventory: _____

5. non-recurring fees, costs and expenses in connection with litigation actually incurred (including the Medafor, Inc. litigation) by Borrower and its Subsidiaries that do not exceed $1,500,000 in the aggregate for any four consecutive Fiscal Quarter period: _____

6. fees and expenses paid to Agent and/or Lenders in connection with the Loan Documents, to the extent deducted in calculating net income (or loss) by the Borrower Representative and its Subsidiaries for such period: _____

7. fees and documented out-of-pocket expenses incurred in connection with any consummated Permitted Acquisition or other Acquisition or Investment not in the ordinary course of business (including fees and expenses that are reimbursable out of an escrow or similar arrangement in connection with each of the same): _____

8. fees and expenses incurred in connection with any consummated Disposition, issuance of Stock or Stock Equivalents or the incurrence, modification or repayment of Indebtedness (including the refinancing thereof) not in the ordinary course of business in an aggregate amount not to exceed $1,000,000 in any four consecutive Fiscal Quarter period: _____

9. fees and expenses (such fees and expenses described in this clause (9), collectively, "**Unconsummated Transaction Fees**") incurred in connection with any contemplated or proposed Permitted Acquisition or other Acquisition or Investment, Disposition, issuance of Stock and Stock Equivalents and the incurrence, modification or repayment of Indebtedness (including the refinancing thereof) not in the ordinary course of business, which is not consummated and which would be permitted under the Credit Agreement, to the extent all such Unconsummated Transaction Fees (a) do not exceed $1,000,000 in the aggregate for any four consecutive Fiscal Quarter period, and (b) are certified as such in a certificate of a Responsible Officer of the Borrower Representative to Agent describing such fees and expenses in reasonable detail: _____

10. non-recurring or unusual documented out-of-pocket expenses including severance costs, lease termination costs, relocation costs, restructuring charges, retention or completion bonuses, signing costs and other non-recurring expenses not otherwise added back to EBITDA (collectively, "**Non-Recurring Expenses**") in an aggregate amount not in excess of ten percent (10%) of Adjusted EBITDA (calculated after any add-back for Non-Recurring Expenses) in the aggregate for any four consecutive Fiscal Quarter period; provided that a Responsible Officer of the Borrower Representative shall have provided a reasonably detailed statement or schedule of such Non-Recurring Expenses: _____

EBITDA (result of A plus B above): $_____

Adjusted EBITDA is defined as follows:

A. EBITDA for the applicable period of measurement: **$_____**

B. Plus with respect to any Acquisition consummated within the period in question, the portion of Pro Forma EBITDA attributable to the Target of such Acquisition from the beginning of such period until the date of consummation of such Acquisition: $_____

C. Minus with respect to any Disposition consummated within the period in question, EBITDA attributable to the Subsidiary, profit centers, or other asset which is the subject of such Disposition from the beginning of such period until the date of consummation of such Disposition: $_____

Adjusted EBITDA (result of (A) plus (B) minus (C) above): $_____

"***Pro Forma EBITDA***" means EBITDA adjusted to reflect (i) operating expense reductions and other operating improvements, synergies or cost savings reasonably expected to result from any Acquisition and (ii) all adjustments of the type used in connection with the calculation of EBITDA as set forth above to the extent such adjustments, without duplication, continue to be applicable, in each case calculated by the Borrowers and approved by the Agent.

Calculation of Net Interest Expense

Net Interest Expense is calculated as follows:

A.	Interest expense determined in accordance with GAAP for such period for the Borrowers and their respective Subsidiaries on a consolidated basis	_____
B.	Less: Interest income determined in accordance with GAAP for such period for the Borrowers and their respective Subsidiaries on a consolidated basis	_____
Net Interest Expense (result of (A) minus (B) above)		_____

Calculation of Cash Flow

Cash Flow is calculated as follows:

A.	EBITDA	_____
B.	minus Capital Expenditures	_____
C.	plus that portion of Capital Expenditures financed under Capital Leases or other Indebtedness of the Borrowers and their respective Subsidiaries; provided that Indebtedness, for this purpose, does not include drawings under the Revolving Loan Commitment, Swingline Commitment or any other revolving credit facility:	_____
Cash Flow (result of the sum of (A) minus (B) plus (C) above)		_____

Calculation of Capital Expenditures

Capital Expenditures is calculated as follows:

A.	The aggregate of all capital expenditures and other obligations for the period of measurement which should be capitalized under GAAP	_____
B	less, in each case, to the extent otherwise included:	
(a)	Net Proceeds from Dispositions	_____
(b)	expenditures financed with cash proceeds from Stock issuances or capital contributions	_____
(c)	all cash insurance proceeds and condemnation awards received on account of any Event of Loss to the extent any such amounts are actually applied to replace, repair or reconstruct the damaged Property or Property affected by the condemnation or taking in connection with such Event of Loss	_____
(d)	that portion of the purchase price of a Target in a Permitted Acquisition or other Acquisition permitted under the Credit Agreement that constitutes a capital expenditure under GAAP	_____
(e)	capital expenditures financed with cash proceeds of indemnity payments or third party reimbursements received by a Borrower or any of its Subsidiaries	_____
Capital Expenditures (result of A minus (B) above)		_____

Calculation of Working Capital

Decrease (increase) in working capital, for the purposes of the calculation of Excess Cash Flow, means the following:

	Beg. of Period	End of Period
A. All assets of the Borrowers and their respective Subsidiaries at such date that would, in conformity with GAAP, be classified as current assets on a consolidated balance sheet of the Borrowers at such date):	$_____	$_____
B. Less (to the extent included in current Assets):		
Cash	$_____	$_____
Cash Equivalents	$_____	$_____
C. Consolidated Current Assets (A minus B)	$_____	$_____
D. All liabilities of the Borrowers and their respective Subsidiaries at such date that would, in conformity with GAAP, be classified as current liabilities on a consolidated balance sheet of the Borrowers at such date):	$_____	$_____
E. Less (to the extent included in current liabilities):		
Revolving Loans	$_____	$_____
Swing Loans	$_____	$_____
Other revolving loans	$_____	$_____
Current portion of Indebtedness	$_____	$_____
F. Consolidated Current Liabilities (D minus E)	$_____	$_____
Working Capital (Consolidated Current Assets (C) minus Consolidated Current Liabilities (F))	$_____	$_____
G. Decrease (Increase) in working capital **(beginning of period minus end of period working capital)**		$_____

Increases or decreases in Working Capital shall exclude, without duplication, (a) the impact of any of the items adjusted for in the definition of "EBITDA" and (b) any changes in current assets or current liabilities as a result of (y) any reclassification in accordance with GAAP of assets or liabilities, as applicable, between current and noncurrent or (z) the effects of purchase accounting adjustments.

To the extent any Borrower or any of their respective Subsidiaries consummates an Acquisition during such period, beginning of period working capital shall be recalculated on a pro forma basis to include working capital acquired in such Acquisition.

COVENANT CALCULATIONS

Covenant 7.1 Leverage Ratio

Leverage Ratio is defined as follows:	
Consolidated Total Indebtedness	_____
Adjusted EBITDA for the twelve month period ending on the date of measurement	_____
Leverage Ratio (Indebtedness (from above) divided by Adjusted EBITDA)	_____
Maximum Leverage Ratio	_____:1.00
In Compliance	Yes/No

Covenant 7.2 Interest Coverage Ratio

Interest Coverage Ratio is calculated as follows:	
A. Adjusted EBITDA for the twelve month period ending on the date of measurement	_____
B. Net Interest Expense calculated on a pro forma basis with respect to any acquisition for the twelve month period ending on the date of measurement	_____
Interest Coverage (result of A divided by B above)	_____
Required minimum Interest Coverage Ratio	_____
In Compliance	Yes/No

Excess Cash Flow Calculation

Excess Cash Flow is calculated as follows:

A. For the applicable period

(1) Cash Flow for such period, less _____

(2) without duplication, and to the extent actually paid in cash to a Person other than the Borrower Representative or its Subsidiaries, during such period, in each case to the extent not financed with proceeds of Stock issuances or Indebtedness (other than drawings under the Revolving Loan Commitment, Swingline Commitment or any other revolving credit facility) and not paid out of Available Amount, the sum of the following for the Borrowers and their Subsidiaries:

(a) scheduled principal payments with respect to Indebtedness: _____

(b) Net Interest Expense: _____

(c) Taxes on or measured by income (excluding income tax refunds): _____

(d) Restricted Payments permitted by Section 6.11: _____

(e) any increase in Working Capital of the Borrowers and their Subsidiaries (measured as the excess of such Working Capital at the end of such period over such Working Capital at the beginning of such period): _____

(f) the purchase price paid in cash for all Permitted Acquisitions and other Investments permitted pursuant to Section 6.4(h), (n) and (o): _____

(g) earn-out payments in connection with Permitted Acquisitions or other acquisitions made in compliance with the terms of the Loan Documents _____

(3) without duplication, any decrease in Working Capital of the Borrowers and their Subsidiaries (measured as the excess of such Working Capital at the beginning of such period over such Working Capital at the end thereof) (see Working Capital Calculation below) _____

(4) without duplication, and to the extent actually paid in cash and added back to net income in the calculation of EBITDA for the applicable period, the sum of the following for the Borrowers and their Subsidiaries:

(a) non-recurring fees, costs and expenses in connection with litigation (including the Medafor, Inc. litigation) not to exceed $1,500,000 in the aggregate for any four consecutive Fiscal Quarter period _____

(b) fees and expenses paid to Agent and/or Lenders in connection with the Loan Documents _____

(c) fees and expenses incurred in connection with any consummated Permitted Acquisition or other Acquisition or Investment not in the ordinary course of business _____

(d) fees and expenses incurred in connection with any consummated Disposition, issuance of Stock or Stock Equivalents or the incurrence, modification or repayment of Indebtedness (including the refinancing thereof)not in the ordinary course of business _____

(e) Unconsummated Transaction Fees	_____
(f) Non-Recurring Expenses	_____
B. Excess Cash Flow (result of (1) minus (2) plus (3) plus (4) above)	_____
C. Required prepayment percentage (see Section 2.8(e) for percentage)	**[____%]**
D. Required prepayment amount (result of B multiplied by C above)	_____
Minus:	
E. Voluntary prepayments of Term Loans during such period	_____
F. Voluntary prepayments of Revolving Loans during such period accompanied by a permanent reduction of the Aggregate Revolving Loan Commitment	_____
Required prepayment amount (result of D minus E minus F above)	_____

Available Amount Calculation

Available Amount is calculated as follows:

(A) An amount equal to, without duplication, the sum of:

(1) the cumulative amount of Excess Cash Flow (which amount shall not be less than zero) for all Fiscal Years of the Borrowers completed after the Closing Date (commencing with the Fiscal Year ending December 31, 2016) and prior to the Available Amount Reference Date with respect to which a certification of Excess Cash Flow set forth on Exhibit 5.2(b) has been delivered to Agent equal to the applicable percentages thereof that are not taken into account when calculating the prepayment in respect thereof in Section 2.8(e) of the Credit Agreement _____

(2) the cumulative amount of Net Issuance Proceeds of issuance of Stock (other than Disqualified Stock) received by Borrower Representative after the Closing Date and prior to the Available Amount Reference Date, which Net Issuance Proceeds are not required to be used to prepay the Obligations _____

(3) (A) the aggregate amount of Net Proceeds received by Borrower in cash or Cash Equivalents after the Closing Date from the Disposition of any Investment to the extent not required to be used to prepay the Obligations, plus (B) returns, (including dividends, interest, returns of principal, profits on sale, repayments, income, distributions and similar amounts) received in cash or Cash Equivalents after the Closing Date to the extent not included or includable in EBITDA, in each instance in (A) and (B) on or in respect of Investments to the extent such Investment was originally funded with and in reliance on the Available Amount (but, in the aggregate for clauses (A) and (B), not in excess of the original amount of the Available Amount used to fund such Investment) _____

(4) the aggregate amount of Declined Proceeds retained by Borrower (and not applied to repay or prepay any other Indebtedness) during the period from the Business Day immediately following the Closing Date through and including the Available Amount Reference Date _____

(5) $1,000,000 _____

Minus: _____

(B) The sum of:

(1) the aggregate amount of Investments made pursuant to Section 6.4(m) of the Credit Agreement and, to the extent funded with the Available Amount in accordance with the definition of Permitted Acquisitions, Section 6.4(h) of the Credit Agreement after the Closing Date and on or prior to the Available Amount Reference Date _____

(2) the aggregate amount of Restricted Payments made pursuant to Section 6.11(f) of the Credit Agreement after the Closing Date and on or prior to the Available Amount Reference Date _____

(C) Available Amount (result of the sum of (A) minus the sum of (B) above)) _____

Exhibit 10.2

AMENDED AND RESTATED
GUARANTY AND SECURITY AGREEMENT

Dated as of January 20, 2016

among

CRYOLIFE, INC.,

and

Each Other Grantor
From Time to Time Party Hereto

and

HEALTHCARE FINANCIAL SOLUTIONS, LLC,
as Agent

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(continued)

AMENDED AND RESTATED GUARANTY AND SECURITY AGREEMENT

This AMENDED AND RESTATED GUARANTY AND SECURITY AGREEMENT (including all exhibits and schedules hereto, as the same may be amended, modified and/or restated from time to time, this "***Agreement***") is entered into as of January 20, 2016, by CryoLife, Inc. ("***CryoLife***"), On-X Life Technologies Holdings, Inc. ("***On-X***" and, together with ***CryoLife***, the "***Borrowers***") and each of the other entities listed on the signature pages hereof or that becomes a party hereto pursuant to Section 8.6 (together with the Borrowers, the "***Grantors***"), in favor of Healthcare Financial Solutions, LLC, a Delaware limited liability company ("***HFS***"), as administrative agent (in such capacity, together with its successors and permitted assigns, "***Agent***") for the Lenders, the L/C Issuers and each other Secured Party (each as defined in the Credit Agreement referred to below).

W I T N E S S E T H:

WHEREAS, CryoLife, the Credit Parties party thereto from time to time, the several financial institutions parties thereto as Lenders, and HFS, as Agent for the Lenders (each of "Credit Parties", "Agent" and "Lenders" is used in this recital as defined in the Existing Credit Agreement) are party to that certain Second Amended and Restated Credit Agreement, dated as of September 26, 2014 (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the "***Existing Credit Agreement***");

WHEREAS, CryoLife is party to that certain Guaranty and Security Agreement, dated as of March 27, 2008 (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the "***Existing Guaranty and Security Agreement***");

WHEREAS, pursuant to that certain Third Amended and Restated Credit Agreement dated as of the date hereof (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "***Credit Agreement***") by and among the Borrowers, CryoLife as Borrower Representative, the other Credit Parties party thereto, the Lenders, the L/C Issuers from time to time party thereto and HFS, as Agent for the Lenders and the L/C Issuers, the Lenders and the L/C Issuers have severally agreed to make extensions of credit to the Borrowers upon the terms and subject to the conditions set forth therein;

WHEREAS, each Grantor has agreed to guaranty the Obligations (as defined in the Credit Agreement) of each Borrower;

WHEREAS, each Grantor will derive substantial direct and indirect benefits from the making of the extensions of credit under the Credit Agreement; and

WHEREAS, it is a condition precedent to the obligation of the Lenders and the L/C Issuers to make their respective extensions of credit to the Borrowers under the Credit Agreement that the Grantors shall have executed and delivered this Agreement to Agent;

NOW, THEREFORE, in consideration of the premises and to induce the Lenders, the L/C Issuers and Agent to enter into the Credit Agreement and to induce the Lenders and the L/C Issuers to make their respective extensions of credit to the Borrowers thereunder, each Grantor hereby agrees with Agent as follows:

ARTICLE I.

DEFINED TERMS

Section 1.1 Definitions. (a) Capitalized terms used herein without definition are used as defined in the Credit Agreement.

(b) The following terms have the meanings given to them in the UCC and terms used herein without definition that are defined in the UCC have the meanings given to them in the UCC (such meanings to be equally applicable to both the singular and plural forms of the terms defined): "account", "account debtor", "as-extracted collateral", "certificated security", "chattel paper", "commercial tort claim", "commodity contract", "deposit account", "electronic chattel paper", "equipment", "farm products", "fixture", "general intangible", "goods", "health-care-insurance receivable", "instruments", "inventory", "investment property", "letter-of-credit right", "proceeds", "record", "securities account", "security", "supporting obligation" and "tangible chattel paper".

(c) The following terms shall have the following meanings:

"***Agreement***" has the meaning specified in the Preamble hereto.

"***Applicable IP Office***" means the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency within or outside the United States.

"***Cash Collateral Account***" means a deposit account or securities account subject, in each instance, to a Control Agreement, other than accounts established to cash collateralize L/C Reimbursement Obligations.

"***Collateral***" has the meaning specified in Section 3.1.

"***Controlled Securities Account***" means each securities account (including all financial assets held therein and all certificates and instruments, if any, representing or evidencing such financial assets) that is the subject of an effective Control Agreement.

"***Excluded Equity***" means any voting stock in excess of 65% of the outstanding voting stock of any Foreign Subsidiary or Excluded Domestic Subsidiary, which, pursuant to the terms of the Credit Agreement, is not required to guaranty the Obligations. For the purposes of this definition, "***voting stock***" means, with respect to any issuer, the issued and outstanding shares of each class of Stock of such issuer entitled to vote (within the meaning of Treasury Regulations § 1.956-2(c)(2)).

"***Excluded Property***" means, collectively, (i) Excluded Equity, (ii) any permit or license or any Contractual Obligation entered into by any Grantor (A) that prohibits or requires the consent of any Person other than a Borrower and its Affiliates which has not been obtained as a condition to the creation by such Grantor of a Lien on any right, title or interest in such permit,

license or Contractual Obligation or any Stock or Stock Equivalent related thereto or (B) to the extent that any Requirement of Law applicable thereto prohibits the creation of a Lien thereon, but only, with respect to the prohibition in (A) and (B), to the extent, and for as long as, such prohibition is not terminated or rendered unenforceable or otherwise deemed ineffective by the UCC or any other Requirement of Law, (iii) Property owned by any Grantor that is subject to a purchase money Lien or a Capital Lease permitted under the Credit Agreement if the Contractual Obligation pursuant to which such Lien is granted (or in the document providing for such Capital Lease) prohibits or requires the consent of any Person other than a Borrower and its Affiliates which has not been obtained as a condition to the creation of any other Lien on such equipment, (iv) any "intent to use" Trademark applications for which a statement of use has not been filed (but only until such statement is filed) and (v) any letter of credit rights (other than to the extent a Lien thereon can be perfected by the filing of a UCC financing statement); provided, however, "***Excluded Property***" shall not include any proceeds, products, substitutions or replacements of Excluded Property (unless such proceeds, products, substitutions or replacements would otherwise constitute Excluded Property).

"***Fraudulent Transfer Laws***" has the meaning set forth in Section 2.2.

"***Guaranteed Obligations***" has the meaning set forth in Section 2.1.

"***Guarantor***" means each Grantor, including each Borrower with respect to the obligations of each other Borrower.

"***Guaranty***" means the guaranty of the Guaranteed Obligations made by the Guarantors as set forth in this Agreement.

"***Internet Domain Name***" means all right, title and interest (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to Internet domain names.

"***Material Intellectual Property***" means Intellectual Property that is owned by or licensed to a Grantor and material to the conduct of any Grantor's business.

"***Pledged Certificated Stock***" means all certificated securities and any other Stock or Stock Equivalent of any Person evidenced by a certificate, instrument or other similar document (as defined in the UCC), in each case owned by any Grantor, and any distribution of property made on, in respect of or in exchange for the foregoing from time to time, including all Stock and Stock Equivalents listed on Schedule 4 of the Disclosure Letter. Pledged Certificated Stock excludes any Excluded Property and any Cash Equivalents that are not held in Controlled Securities Accounts to the extent permitted by Section 5.10 hereof.

"***Pledged Collateral***" means, collectively, the Pledged Stock and the Pledged Debt Instruments.

"***Pledged Debt Instruments***" means all right, title and interest of any Grantor in instruments evidencing any Indebtedness owed to such Grantor or other obligations owed to such Grantor, and any distribution of property made on, in respect of or in exchange for the foregoing from time to time, including all Indebtedness described on Schedule 4 of the Disclosure Letter, issued by the obligors named therein. Pledged Debt Instruments excludes any Cash Equivalents that are not held in Controlled Securities Accounts to the extent permitted by Section 5.10 hereof.

"***Pledged Investment Property***" means any investment property of any Grantor, and any distribution of property made on, in respect of or in exchange for the foregoing from time to time, other than any Pledged Stock or Pledged Debt Instruments. Pledged Investment Property excludes any Cash Equivalents that are not held in Controlled Securities Accounts to the extent permitted by Section 5.10 hereof.

"***Pledged Stock***" means all Pledged Certificated Stock and all Pledged Uncertificated Stock.

"***Pledged Uncertificated Stock***" means any Stock or Stock Equivalent of any Person that is not Pledged Certificated Stock, including all right, title and interest of any Grantor as a limited or general partner in any partnership not constituting Pledged Certificated Stock or as a member of any limited liability company, all right, title and interest of any Grantor in, to and under any Organization Document of any partnership or limited liability company to which it is a party, and any distribution of property made on, in respect of or in exchange for the foregoing from time to time, including in each case those interests set forth on Schedule 4 of the Disclosure Letter, to the extent such interests are not certificated. Pledged Uncertificated Stock excludes any Excluded Property and any Cash Equivalents that are not held in Controlled Securities Accounts to the extent permitted by Section 5.10 hereof.

"***Secured Obligations***" has the meaning set forth in Section 3.2.

"***Software***" means (a) all computer programs, including source code and object code versions, (b) all data, databases and compilations of data, whether machine readable or otherwise, and (c) all documentation, training materials and configurations related to any of the foregoing.

"***UCC***" means the Uniform Commercial Code as from time to time in effect in the State of New York; provided, however, that, in the event that, by reason of mandatory provisions of any applicable Requirement of Law, any of the attachment, perfection or priority of Agent's or any other Secured Party's security interest in any Collateral is governed by the Uniform Commercial Code of a jurisdiction other than the State of New York, "***UCC***" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of the definitions related to or otherwise used in such provisions.

"***Vehicles***" means all vehicles covered by a certificate of title law of any state.

Section 1.2 Certain Other Terms.

(a) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms. References herein to an Annex, Schedule, Article, Section or clause refer to the appropriate Annex or Schedule to, or Article, Section or clause in this Agreement or the Disclosure Letter. Where the context requires, provisions relating to any Collateral when used in relation to a Grantor shall refer to such Grantor's Collateral or any relevant part thereof.

(b) Other Interpretive Provisions.

(i) Defined Terms. Unless otherwise specified herein or therein, all terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto.

(ii) The Agreement. The words "hereof", "herein", "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(iii) Certain Common Terms. The term "including" is not limiting and means "including without limitation."

(iv) Performance; Time. Whenever any performance obligation hereunder (other than a payment obligation) shall be stated to be due or required to be satisfied on a day other than a Business Day, such performance shall be made or satisfied on the next succeeding Business Day. In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding", and the word "through" means "to and including." If any provision of this Agreement refers to any action taken or to be taken by any Person, or which such Person is prohibited from taking, such provision shall be interpreted to encompass any and all means, direct or indirect, of taking, or not taking, such action.

(v) Contracts. Unless otherwise expressly provided herein, references to agreements and other contractual instruments, including this Agreement and the other Loan Documents, shall be deemed to include all subsequent amendments, thereto, restatements and substitutions thereof and other modifications and supplements thereto which are in effect from time to time, but only to the extent such amendments and other modifications are not prohibited by the terms of any Loan Document.

(vi) Laws. References to any statute or regulation are to be construed as including all statutory and regulatory provisions related thereto or consolidating, amending, replacing, supplementing or interpreting the statute or regulation.

ARTICLE II.

GUARANTY

Section 2.1 Guaranty. To induce the Lenders to make the Loans and the L/C Issuers to Issue Letters of Credit and each other Secured Party to make credit available to or for the benefit of one or more Grantors, each Guarantor hereby, jointly and severally, absolutely, unconditionally and irrevocably guarantees, as primary obligor and not merely as surety, the full and punctual payment when due, whether at stated maturity or earlier, by reason of acceleration, mandatory prepayment or otherwise in accordance with any Loan Document, of all the Obligations of each Borrower whether existing on the date hereof or hereinafter incurred or created (the "Guaranteed Obligations"). This Guaranty by each Guarantor hereunder constitutes a guaranty of payment and not of collection.

Section 2.2 Limitation of Guaranty. Any term or provision of this Guaranty or any other Loan Document to the contrary notwithstanding, the maximum aggregate amount for which any Guarantor shall be liable hereunder shall not exceed the maximum amount for which such Guarantor can be liable without rendering this Guaranty or any other Loan Document, as it relates

to such Guarantor, subject to avoidance under applicable Requirements of Law relating to fraudulent conveyance or fraudulent transfer (including the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act and Section 548 of title 11 of the United States Code or any applicable provisions of comparable Requirements of Law) (collectively, "***Fraudulent Transfer Laws***"). Any analysis of the provisions of this Guaranty for purposes of Fraudulent Transfer Laws shall take into account the right of contribution established in Section 2.3 and, for purposes of such analysis, give effect to any discharge of intercompany debt as a result of any payment made under the Guaranty.

Section 2.3 Contribution. To the extent that any Guarantor shall be required hereunder to pay any portion of any Guaranteed Obligation exceeding the greater of (a) the amount of the value actually received by such Guarantor and its Subsidiaries from the Loans and other Obligations and (b) the amount such Guarantor would otherwise have paid if such Guarantor had paid the aggregate amount of the Guaranteed Obligations (excluding the amount thereof repaid by a Borrower that received the benefit of the funds advanced that constituted Guaranteed Obligations) in the same proportion as such Guarantor's net worth on the date enforcement is sought hereunder bears to the aggregate net worth of all the Guarantors on such date, then such Guarantor shall be reimbursed by such other Guarantors for the amount of such excess, pro rata, based on the respective net worth of such other Guarantors on such date.

Section 2.4 Authorization; Other Agreements. The Secured Parties are hereby authorized, without notice to or demand upon any Guarantor and without discharging or otherwise affecting the obligations of any Guarantor hereunder and without incurring any liability hereunder, from time to time, to do each of the following:

(a) (i) subject to compliance, if applicable, with Section 9.1 of the Credit Agreement, modify, amend, supplement or otherwise change, (ii) accelerate or otherwise change the time of payment or (iii) waive or otherwise consent to noncompliance with, any Guaranteed Obligation or any Loan Document;

(b) apply to the Guaranteed Obligations any sums by whomever paid or however realized to any Guaranteed Obligation in such order as provided in the Loan Documents;

(c) refund at any time any payment received by any Secured Party in respect of any Guaranteed Obligation;

(d) (i) sell, exchange, enforce, waive, substitute, liquidate, terminate, release, abandon, fail to perfect, subordinate, accept, substitute, surrender, exchange, affect, impair or otherwise alter or release any Collateral for any Guaranteed Obligation or any other guaranty therefor in any manner, (ii) receive, take and hold additional Collateral to secure any Guaranteed Obligation, (iii) add, release or substitute any one or more other Guarantors, makers or endorsers of any Guaranteed Obligation or any part thereof and (iv) otherwise deal in any manner with a Borrower or any other Guarantor, maker or endorser of any Guaranteed Obligation or any part thereof; and

(e) settle, release, compromise, collect or otherwise liquidate the Guaranteed Obligations.

Section 2.5 Guaranty Absolute and Unconditional. Each Guarantor hereby waives and agrees not to assert any defense, whether arising in connection with or in respect of any of the

following or otherwise, and hereby agrees that its obligations under this Guaranty are irrevocable, absolute and unconditional and shall not be discharged as a result of or otherwise affected by any of the following (which may not be pleaded and evidence of which may not be introduced in any proceeding with respect to this Guaranty, in each case except as otherwise agreed in writing by Agent):

(a) the invalidity or unenforceability of any obligation of a Borrower or any other Guarantor under any Loan Document or any other agreement or instrument relating thereto (including any amendment, consent or waiver thereto), or any security for, or other guaranty of, any Guaranteed Obligation or any part thereof, or the lack of perfection or continuing perfection or failure of priority of any security for the Guaranteed Obligations or any part thereof;

(b) the absence of (i) any attempt to collect any Guaranteed Obligation or any part thereof from a Borrower or any other Guarantor or other action to enforce the same or (ii) any action to enforce any Loan Document or any Lien thereunder;

(c) the failure by any Person to take any steps to perfect and maintain any Lien on, or to preserve any rights with respect to, any Collateral;

(d) any workout, insolvency, bankruptcy proceeding, reorganization, arrangement, liquidation or dissolution by or against a Borrower, any other Guarantor or any of a Borrower's other Subsidiaries or any procedure, agreement, order, stipulation, election, action or omission thereunder, including any discharge or disallowance of, or bar or stay against collecting, any Guaranteed Obligation (or any interest thereon) in or as a result of any such proceeding;

(e) any foreclosure, whether or not through judicial sale, and any other sale or other disposition of any Collateral or any election following the occurrence of an Event of Default by any Secured Party to proceed separately against any Collateral in accordance with such Secured Party's rights under any applicable Requirement of Law; or

(f) any other defense, setoff, counterclaim or any other circumstance that might otherwise constitute a legal or equitable discharge of a Borrower, any other Guarantor or any other Subsidiary of a Borrower, in each case other than the payment in full of the Guaranteed Obligations.

Section 2.6 Waivers. Each Guarantor hereby unconditionally and irrevocably waives and agrees not to assert any claim, defense, setoff or counterclaim based on diligence, promptness, presentment, requirements for any demand or notice hereunder including any of the following: (a) any demand for payment or performance and protest and notice of protest; (b) any notice of acceptance; (c) any presentment, demand, protest or further notice or other requirements of any kind with respect to any Guaranteed Obligation (including any accrued but unpaid interest thereon) becoming immediately due and payable; and (d) any other notice in respect of any Guaranteed Obligation or any part thereof, and any defense arising by reason of any disability or other defense of a Borrower or any other Guarantor. Each Guarantor further unconditionally and irrevocably agrees not to (x) enforce or otherwise exercise any right of subrogation or any right of reimbursement or contribution or similar right against a Borrower or any other Guarantor by reason of any Loan Document or any payment made thereunder or (y) assert any claim, defense, setoff or counterclaim it may have against any other Credit Party or set off any of its obligations to such other Credit Party against obligations of such Credit Party to such Guarantor. No obligation of any Guarantor hereunder shall be discharged other than by complete performance.

Section 2.7 Reliance. Each Guarantor hereby assumes responsibility for keeping itself informed of the financial condition of each Borrower, each other Guarantor and any other guarantor, maker or endorser of any Guaranteed Obligation or any part thereof, and of all other circumstances bearing upon the risk of nonpayment of any Guaranteed Obligation or any part thereof that diligent inquiry would reveal, and each Guarantor hereby agrees that no Secured Party shall have any duty to advise any Guarantor of information known to it regarding such condition or any such circumstances. In the event any Secured Party, in its sole discretion, undertakes at any time or from time to time to provide any such information to any Guarantor, such Secured Party shall be under no obligation to (a) undertake any investigation not a part of its regular business routine, (b) disclose any information that such Secured Party, pursuant to accepted or reasonable commercial finance or banking practices, wishes to maintain confidential or (c) make any future disclosures of such information or any other information to any Guarantor.

ARTICLE III.

GRANT OF SECURITY INTEREST

Section 3.1 Collateral. For the purposes of this Agreement, all of the following property now owned or at any time hereafter acquired by a Grantor or in which a Grantor now has or at any time in the future may acquire any right, title or interests is collectively referred to as the "***Collateral***":

(a) all accounts, chattel paper, documents (as defined in the UCC), equipment, general intangibles, instruments, inventory, investment property, letter of credit rights and any supporting obligations related to any of the foregoing;

(b) all deposit accounts, securities accounts and other bank accounts;

(c) the commercial tort claims described on Schedule 1 of the Disclosure Letter and on any supplement thereto received by Agent pursuant to Section 5.9;

(d) all books and records pertaining to the other property described in this Section 3.1;

(e) all property of such Grantor held by any Secured Party, including all property of every description, in the custody of or in transit to such Secured Party for any purpose, including safekeeping, collection or pledge, for the account of such Grantor or as to which such Grantor may have any right or power, including but not limited to cash;

(f) all other goods (including but not limited to fixtures) and personal property of such Grantor, whether tangible or intangible and wherever located; and

(g) to the extent not otherwise included, all proceeds of the foregoing;

Section 3.2 Grant of Security Interest in Collateral. Each Grantor, as collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Obligations of such Grantor (the "***Secured Obligations***"), hereby mortgages, pledges and hypothecates to Agent for the benefit of the Secured Parties, and grants to Agent for the benefit of the Secured Parties a Lien on and security interest in, all of its right, title and interest in, to and under the Collateral of such Grantor;

provided, however, notwithstanding the foregoing, no Lien or security interest is hereby granted on any Excluded Property; provided, further, that if and when any property shall cease to be Excluded Property, a Lien on and security interest in such property shall be deemed granted therein. Each Grantor hereby represents and warrants that the Excluded Property, when taken as a whole, is not material to the business operations or financial condition of the Grantors, taken as a whole.

ARTICLE IV.

REPRESENTATIONS AND WARRANTIES

To induce the Lenders, the L/C Issuers and Agent to enter into the Loan Documents, each Grantor hereby represents and warrants each of the following to Agent, the Lenders, the L/C Issuers and the other Secured Parties:

Section 4.1 Title; No Other Liens. Except for the Lien granted to Agent pursuant to this Agreement and other Permitted Liens (except for those Permitted Liens not permitted to exist on any Collateral) under any Loan Document (including Section 4.2), such Grantor owns each item of the Collateral free and clear of any and all Liens or claims of others. Such Grantor (a) is the record and beneficial owner of the Collateral pledged by it hereunder constituting instruments or certificates and (b) has rights in or the power to transfer each other item of Collateral in which a Lien is granted by it hereunder, free and clear of any other Lien.

Section 4.2 Perfection and Priority. The security interest granted pursuant to this Agreement constitutes a valid and continuing perfected security interest in favor of Agent in all Collateral subject, for the following Collateral, to the occurrence of the following: (a) in the case of all Collateral in which a security interest may be perfected by filing a financing statement under the UCC, the completion of the filings and other actions specified on Schedule 2 of the Disclosure Letter (which, in the case of all filings and other documents referred to on such schedule, have been delivered to Agent in completed and duly authorized form), (b) with respect to any deposit account, the execution of Control Agreements, (c) in the case of all Copyrights, Trademarks and Patents for which UCC filings are insufficient, all appropriate filings having been made with the United States Copyright Office or the United States Patent and Trademark Office, as applicable, (d) in the case of letter-of-credit rights that are not supporting obligations of Collateral, the execution of a Contractual Obligation granting control to Agent over such letter-of-credit rights, (e) in the case of electronic chattel paper, the completion of all steps necessary to grant control to Agent over such electronic chattel paper and (f) in the case of Vehicles, the actions required under Section 5.1(e). Such security interest shall be prior to all other Liens on the Collateral except for Permitted Liens having priority over Agent's Lien by operation of law or permitted pursuant to subsections 6.1(e), (g), (h), (i), (j), (k), (l), (o), (q), (r), (s), (t), (u), (v), (w), (x) or (y) of the Credit Agreement upon (i) in the case of all Pledged Certificated Stock, Pledged Debt Instruments and Pledged Investment Property, the delivery thereof to Agent of such Pledged Certificated Stock, Pledged Debt Instruments and Pledged Investment Property consisting of instruments and certificates, in each case properly endorsed for transfer to Agent or in blank, (ii) in the case of all Pledged Investment Property not in certificated form, the execution of Control Agreements with respect to such investment property and (iii) in the case of all other instruments and tangible chattel paper that are not Pledged Certificated Stock, Pledged Debt Instruments or Pledged Investment Property, the delivery thereof to Agent of such instruments and tangible chattel paper. Except as set forth in this Section 4.2, all actions by each Grantor necessary or

desirable to protect and perfect the Lien granted hereunder on the Collateral have been duly taken.

Section 4.3 Reserved.

Section 4.4 Locations of Inventory, Equipment and Books and Records. On the date hereof, such Grantor's inventory and equipment (other than inventory or equipment in transit or at locations where hospitals and other clients of the Grantors store laser consoles which are rented by, are subject to evaluation by or have been loaned at no cost to such hospitals or clients from a Grantor and freezers that are owned by any Grantor and placed under bailment arrangements) and books and records concerning the Collateral are kept at the locations listed on Schedule 3 of the Disclosure Letter.

Section 4.5 Pledged Collateral. (a) The Pledged Stock pledged by such Grantor hereunder (i) is listed on Schedule 4 of the Disclosure Letter and constitutes that percentage of the issued and outstanding equity of all classes of each issuer thereof as set forth on Schedule 4 of the Disclosure Letter, (ii) has been duly authorized, validly issued and is fully paid and nonassessable (other than Pledged Stock in limited liability companies and partnerships) and (iii) constitutes the legal, valid and binding obligation of the obligor with respect thereto, enforceable in accordance with its terms.

(b) As of the Closing Date, all Pledged Collateral (other than Pledged Uncertificated Stock) and all Pledged Investment Property consisting of instruments and certificates has been delivered to Agent in accordance with Section 5.3(a).

(c) Upon the occurrence and during the continuance of an Event of Default, Agent shall be entitled to exercise all of the rights of the Grantor granting the security interest in any Pledged Stock, and a transferee or assignee of such Pledged Stock shall become a holder of such Pledged Stock to the same extent as such Grantor and be entitled to participate in the management of the issuer of such Pledged Stock and, upon the transfer of the entire interest of such Grantor, such Grantor shall, by operation of law, cease to be a holder of such Pledged Stock.

Section 4.6 Instruments and Tangible Chattel Paper Formerly Accounts. No amount payable to such Grantor under or in connection with any account is evidenced by any instrument or tangible chattel paper that has not been delivered to Agent, properly endorsed for transfer, to the extent delivery is required by Section 5.6(a).

Section 4.7 Intellectual Property.

(a) Schedule 5 of the Disclosure Letter sets forth a true and complete list of the following Intellectual Property such Grantor owns, licenses or otherwise has the right to use: (i) Intellectual Property that is registered or subject to applications for registration, (ii) Internet Domain Names and (iii) Material Intellectual Property and material proprietary Software, separately identifying that owned and licensed to such Grantor and including for each of the foregoing items (1) the owner, (2) the title, (3) the jurisdiction in which such item has been registered or otherwise arises or in which an application for registration has been filed, (4) as applicable, the registration or application number and registration or application date and (5) any IP Licenses or other rights (including franchises) granted by the Grantor with respect thereto.

(b) On the Closing Date, all Material Intellectual Property owned by such Grantor is valid, in full force and effect, subsisting, unexpired and enforceable, and no Material Intellectual Property has been abandoned. No breach or default of any material IP License shall be caused by any of the following, and none of the following shall limit or impair the ownership, use, validity or enforceability of, or any rights of such Grantor in, any Material Intellectual Property: (i) the consummation of the transactions contemplated by any Loan Document or (ii) any holding, decision, judgment or order rendered by any Governmental Authority. There are no pending (or, to the knowledge of such Grantor, threatened) actions, investigations, suits, proceedings, audits, claims, demands, orders or disputes challenging the ownership, use, validity, enforceability of, or such Grantor's rights in, any Material Intellectual Property of such Grantor. Except as set forth on Schedule 5 of the Disclosure Letter, to such Grantor's knowledge, no Person has been or is infringing, misappropriating, diluting, violating or otherwise impairing any Intellectual Property of such Grantor. Such Grantor, and to such Grantor's knowledge each other party thereto, is not in material breach or default of any material IP License.

Section 4.8 Commercial Tort Claims. The only commercial tort claims of any Grantor existing on the date hereof (regardless of whether the amount, defendant or other material facts can be determined and regardless of whether such commercial tort claim has been asserted, threatened or has otherwise been made known to the obligee thereof or whether litigation has been commenced for such claims) with a reasonably predicted value in excess of $250,000 are those listed on Schedule 1 of the Disclosure Letter, which sets forth such information separately for each Grantor.

Section 4.9 Specific Collateral. None of the Collateral is or is proceeds or products of farm products, as-extracted collateral, health-care-insurance receivables or timber to be cut.

Section 4.10 Enforcement. No Permit, notice to or filing with any Governmental Authority or any other Person or any consent from any Person is required for the exercise by Agent of its rights (including voting rights) provided for in this Agreement or the enforcement of remedies in respect of the Collateral pursuant to this Agreement, including the transfer of any Collateral, except as may be required in connection with the disposition of any portion of the Pledged Collateral by laws affecting the offering and sale of securities generally or any approvals that may be required to be obtained from any bailees or landlords to collect the Collateral.

Section 4.11 Representations and Warranties of the Credit Agreement. The representations and warranties as to such Grantor and its Subsidiaries made in Article III (Representations and Warranties) of the Credit Agreement are true and correct on each date as required by Section 2.2 of the Credit Agreement.

ARTICLE V.

COVENANTS

Each Grantor agrees with Agent to the following, as long as any Obligation or Commitment remains outstanding (other than contingent indemnification Obligations to the extent no claim giving rise thereto has been asserted):

Section 5.1 Maintenance of Perfected Security Interest; Further Documentation and Consents. (a) Generally. Such Grantor shall (i) not use or permit any Collateral to be used unlawfully or in violation of any provision of any Loan Document, any Related Agreement, any

Requirement of Law or any policy of insurance covering the Collateral and (ii) not enter into any Contractual Obligation or undertaking restricting the right or ability of such Grantor or Agent to sell, assign, convey or transfer any Collateral if such restriction would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

(b) Such Grantor shall maintain the security interest created by this Agreement as a perfected security interest having at least the priority described in Section 4.2 and shall defend such security interest and such priority against the claims and demands of all Persons.

(c) Such Grantor shall furnish to Agent from time to time statements and schedules further identifying and describing the Collateral and such other documents in connection with the Collateral as Agent may reasonably request, all in reasonable detail and in form and substance satisfactory to Agent.

(d) At any time and from time to time, upon the written request of Agent, such Grantor shall, for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, (i) promptly and duly execute and deliver, and have recorded, such further documents, including an authorization to file (or, as applicable, the filing) of any financing statement or amendment under the UCC (or other filings under similar Requirements of Law) in effect in any jurisdiction with respect to the security interest created hereby and (ii) take such further action as Agent may reasonably request, including (A) using its commercially reasonable efforts to secure all approvals necessary or appropriate for the assignment to or for the benefit of Agent of any Contractual Obligation, including any IP License, held by such Grantor and to enforce the security interests granted hereunder and (B) to the extent required under Section 5.11 of the Credit Agreement, executing and delivering any Control Agreements with respect to deposit accounts and securities accounts.

(e) If requested by Agent, the Grantor shall arrange for Agent's first priority security interest to be noted on the certificate of title of each Vehicle and shall file any other necessary documentation in each jurisdiction that Agent shall deem advisable to perfect its security interests in any Vehicle.

(f) To ensure that a Lien and security interest is granted on any of the Excluded Property set forth in clause (ii) of the definition of "***Excluded Property***", such Grantor shall use its commercially reasonable efforts to obtain any required consents from any Person other than a Borrower and its Affiliates with respect to any permit or license or any Contractual Obligation with such Person entered into by such Grantor that requires such consent as a condition to the creation by such Grantor of a Lien on any right, title or interest in such permit, license or Contractual Obligation or any Stock or Stock Equivalent related thereto.

Section 5.2 Changes in Locations, Name, Etc. Except upon 20 days' prior written notice to Agent and delivery to Agent of (a) all documents reasonably requested by Agent to maintain the validity, perfection and priority of the security interests provided for herein and (b) if applicable, a written supplement to Schedule 3 of the Disclosure Letter showing any additional locations at which inventory or equipment shall be kept, such Grantor shall not do any of the following:

(i) permit any inventory or equipment to be kept at a location other than those listed on Schedule 3 of the Disclosure Letter, except for inventory or equipment which is valued at less than $250,000 at any such location or is in transit; or

(ii) change its legal name or organizational identification number, if any, or corporation, limited liability company, partnership or other organizational structure to such an extent that any financing statement filed in connection with this Agreement would become misleading.

Section 5.3 Pledged Collateral. (a) Delivery of Pledged Collateral. Such Grantor shall (i) deliver to Agent, in suitable form for transfer and in form and substance satisfactory to Agent, (A) all Pledged Certificated Stock, (B) all Pledged Debt Instruments and (C) all certificates and instruments evidencing Pledged Investment Property and (ii) maintain all other Pledged Investment Property in a Controlled Securities Account.

(b) Event of Default. During the continuance of an Event of Default, Agent shall have the right, at any time in its discretion and without notice to the Grantor, to (i) transfer to or to register in its name or in the name of its nominees any Pledged Collateral or any Pledged Investment Property and (ii) exchange any certificate or instrument representing or evidencing any Pledged Collateral or any Pledged Investment Property for certificates or instruments of smaller or larger denominations.

(c) Cash Distributions with respect to Pledged Collateral. Except as provided in Article VI and subject to the limitations set forth in the Credit Agreement, such Grantor shall be entitled to receive all cash distributions paid in respect of the Pledged Collateral.

(d) Voting Rights. Except as provided in Article VI, such Grantor shall be entitled to exercise all voting, consent and corporate, partnership, limited liability company and similar rights with respect to the Pledged Collateral; provided, however, that no vote shall be cast, consent given or right exercised or other action taken by such Grantor that would impair the Collateral or be inconsistent with or result in any violation of any provision of any Loan Document.

Section 5.4 Accounts.

(a) Such Grantor shall not, other than in the ordinary course of business, (i) grant any extension of the time of payment of any account, (ii) compromise or settle any account for less than the full amount thereof, (iii) release, wholly or partially, any Person liable for the payment of any account, (iv) allow any credit or discount on any account or (v) amend, supplement or modify any account in any manner that could adversely affect the value thereof.

(b) So long as an Event of Default is continuing, Agent shall have the right to make test verifications of the Accounts in any manner and through any medium that it reasonably considers advisable, and such Grantor shall furnish all such assistance and information as Agent may reasonably require in connection therewith. At any time and from time to time, upon Agent's reasonable request, such Grantor shall cause independent public accountants or others satisfactory to Agent to furnish to Agent reports showing reconciliations, aging and test verifications of, and trial balances for, the accounts.

Section 5.5 Commodity Contracts. Such Grantor shall not have any commodity contract unless subject to a Control Agreement.

Section 5.6 Delivery of Instruments and Tangible Chattel Paper and Control of Investment Property, Letter-of-Credit Rights and Electronic Chattel Paper. (a) If any amount in excess of $250,000 payable under or in connection with any Collateral owned by such Grantor shall be or become evidenced by an instrument or tangible chattel paper other than such instrument delivered in accordance with Section 5.3(a) and in the possession of Agent, such Grantor shall mark all such instruments and tangible chattel paper with the following legend: "This writing and the obligations evidenced or secured hereby are subject to the security interest of Healthcare Financial Solutions, LLC, as Agent" and, at the request of Agent, shall immediately deliver such instrument or tangible chattel paper to Agent, duly indorsed in a manner satisfactory to Agent.

(b) Such Grantor shall not grant "control" (within the meaning of such term under Article 9-106 of the UCC) over any investment property to any Person other than Agent.

(c) If any amount in excess of $250,000 payable under or in connection with any Collateral owned by such Grantor shall be or become evidenced by electronic chattel paper, such Grantor shall take all steps necessary to grant Agent control of all such electronic chattel paper for the purposes of Section 9-105 of the UCC (or any similar section under any equivalent 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.

Section 5.7 Intellectual Property. (a) Within 30 days after any change to Schedule 5 of the Disclosure Letter for such Grantor, such Grantor shall provide Agent notification thereof and the short-form intellectual property agreements and assignments as described in this Section 5.7 and any other documents that Agent reasonably requests with respect thereto.

(b) Such Grantor shall (and shall use commercially reasonable efforts to cause all its licensees to) (i) (1) continue to use each Trademark included in the Material Intellectual Property in order to maintain such Trademark in full force and effect with respect to each class of goods for which such Trademark is currently used, free from any claim of abandonment for non-use, (2) maintain at least the same standards of quality of products and services offered under such Trademark as are currently maintained, (3) use such Trademark with the appropriate notice of registration and all other notices and legends required by applicable Requirements of Law, (4) not adopt or use any other Trademark that is confusingly similar or a colorable imitation of such Trademark unless Agent shall obtain a perfected security interest in such other Trademark pursuant to this Agreement and (ii) not do any act or omit to do any act whereby (w) such Trademark (or any goodwill associated therewith) may become destroyed, invalidated, impaired or harmed in any way, (x) any Patent included in the Material Intellectual Property may become forfeited, misused, unenforceable, abandoned or dedicated to the public, (y) any portion of the Copyrights included in the Material Intellectual Property may become invalidated, otherwise impaired or fall into the public domain or (z) any Trade Secret that is Material Intellectual Property may become publicly available or otherwise unprotectable.

(c) Such Grantor shall notify Agent immediately if it knows, or has reason to know, that any application or registration relating to any Material Intellectual Property may become forfeited, misused, unenforceable, abandoned or dedicated to the public, or of any adverse determination or development regarding the validity or enforceability or such Grantor's

ownership of, interest in, right to use, register, own or maintain any Material Intellectual Property (including the institution of, or any such determination or development in, any proceeding relating to the foregoing in any Applicable IP Office). Such Grantor shall take all actions that are necessary or reasonably requested by Agent to maintain and pursue each application (and to obtain the relevant registration or recordation) and to maintain each registration and recordation included in the Material Intellectual Property.

(d) Such Grantor shall not knowingly do any act or omit to do any act to infringe, misappropriate, dilute, violate or otherwise impair the Intellectual Property of any other Person. In the event that any Material Intellectual Property of such Grantor is or has been infringed, misappropriated, violated, diluted or otherwise impaired by a third party, such Grantor shall take such action as it reasonably deems appropriate under the circumstances in response thereto, including promptly bringing suit and recovering all damages therefor.

(e) Such Grantor shall execute and deliver to Agent in form and substance reasonably acceptable to Agent and suitable for filing in the Applicable IP Office the short-form intellectual property security agreements in the form attached hereto as Annex 3 for all Copyrights, Trademarks, Patents and IP Licenses of such Grantor.

Section 5.8 Notices. Such Grantor shall notify Agent in writing within 30 days of its acquisition of any interest hereafter in property with a value in excess of $250,000 that is of a type where a security interest or lien must be or may be registered, recorded or filed under, or notice thereof given under, any federal statute or regulation.

Section 5.9 Notice of Commercial Tort Claims. Such Grantor agrees that, if it shall acquire any interest in any commercial tort claim (whether from another Person or because such commercial tort claim shall have come into existence) with a reasonably predicted value in excess of $250,000 or more, (i) such Grantor shall, immediately upon such acquisition, deliver to Agent, in each case in form and substance satisfactory to Agent, a notice of the existence and nature of such commercial tort claim and a supplement to Schedule 1 of the Disclosure Letter containing a specific description of such commercial tort claim, (ii) Section 3.1 shall apply to such commercial tort claim and (iii) such Grantor shall execute and deliver to Agent, in each case in form and substance satisfactory to Agent, any document, and take all other action, deemed by Agent to be reasonably necessary or appropriate for Agent to obtain, for the benefit of the Secured Parties, a perfected security interest having at least the priority set forth in Section 4.2 in all such commercial tort claims. Any supplement to Schedule 1 of the Disclosure Letter delivered pursuant to this Section 5.9 shall, after the receipt thereof by Agent, become part of Schedule 1 of the Disclosure Letter for all purposes hereunder other than in respect of representations and warranties made prior to the date of such receipt.

Section 5.10 Controlled Securities Account. Each Grantor shall deposit all of its Cash Equivalents in securities accounts that are Controlled Securities Accounts except for Cash Equivalents the aggregate value of which does not exceed $250,000.

ARTICLE VI.

REMEDIAL PROVISIONS

Section 6.1 Code and Other Remedies. (a) UCC Remedies. During the continuance of an Event of Default, Agent may exercise, in addition to all other rights and remedies granted to

it in this Agreement and in any other instrument or agreement securing, evidencing or relating to any Secured Obligation, all rights and remedies of a secured party under the UCC or any other applicable law.

(b) Disposition of Collateral. Without limiting the generality of the foregoing, Agent may, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon any Grantor or any other Person (all and each of which demands, presentments, protests, advertisements and notices (except any notice required by law referred to below) are hereby waived), during the continuance of any Event of Default (personally or through its agents or attorneys), (i) enter upon the premises where any Collateral is located, without any obligation to pay rent, through self-help, without judicial process, without first obtaining a final judgment or giving any Grantor or any other Person notice or opportunity for a hearing on Agent's claim or action, (ii) collect, receive, appropriate and realize upon any Collateral and (iii) sell, assign, convey, transfer, grant option or options to purchase and deliver any Collateral (enter into Contractual Obligations to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of any Secured Party or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Agent shall have the right, upon any such public sale or sales and, to the extent permitted by the UCC and other applicable Requirements of Law, upon any such private sale, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption of any Grantor, which right or equity is hereby waived and released.

(c) Management of the Collateral. Each Grantor further agrees, that, during the continuance of any Event of Default, (i) at Agent's request, it shall assemble the Collateral and make it available to Agent at places that Agent shall reasonably select, whether at such Grantor's premises or elsewhere, (ii) without limiting the foregoing, Agent also has the right to require that each Grantor store and keep any Collateral pending further action by Agent and, while any such Collateral is so stored or kept, provide such guards and maintenance services as shall be necessary to protect the same and to preserve and maintain such Collateral in good condition, (iii) until Agent is able to sell, assign, convey or transfer any Collateral, Agent shall have the right to hold or use such Collateral to the extent that it deems appropriate for the purpose of preserving the Collateral or its value or for any other purpose deemed appropriate by Agent and (iv) Agent may, if it so elects, seek the appointment of a receiver or keeper to take possession of any Collateral and to enforce any of Agent's remedies (for the benefit of the Secured Parties), with respect to such appointment without prior notice or hearing as to such appointment. Agent shall not have any obligation to any Grantor to maintain or preserve the rights of any Grantor as against third parties with respect to any Collateral while such Collateral is in the possession of Agent.

(d) Application of Proceeds. Agent shall apply the cash proceeds of any action taken by it pursuant to this Section 6.1, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any Collateral or in any way relating to the Collateral or the rights of Agent and any other Secured Party hereunder, including reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Secured Obligations, as set forth in the Credit Agreement, and only after such application and after the payment by Agent of any other amount required by any Requirement of Law, need Agent account for the surplus, if any, to any Grantor.

(e) Direct Obligation. Neither Agent nor any other Secured Party shall be required to make any demand upon, or pursue or exhaust any right or remedy against, any Grantor, any other Credit Party or any other Person with respect to the payment of the Obligations or to pursue or exhaust any right or remedy with respect to any Collateral therefor or any direct or indirect guaranty thereof. All of the rights and remedies of Agent and any other Secured Party under any Loan Document shall be cumulative, may be exercised individually or concurrently and not exclusive of any other rights or remedies provided by any Requirement of Law. 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 Agent or any other Secured Party, any valuation, stay, appraisement, extension, redemption or similar laws and any and all rights or defenses it may have as a surety, now or hereafter existing, arising out of the exercise by them of any rights hereunder. If any notice of a proposed sale or other disposition of any Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition.

(f) Commercially Reasonable. To the extent that applicable Requirements of Law impose duties on Agent to exercise remedies in a commercially reasonable manner, each Grantor acknowledges and agrees that it is not commercially unreasonable for Agent to do any of the following:

(i) fail to incur significant costs, expenses or other Liabilities reasonably deemed as such by Agent to prepare any Collateral for disposition or otherwise to complete raw material or work in process into finished goods or other finished products for disposition;

(ii) fail to obtain Permits, or other consents, for access to any Collateral to sell or for the collection or sale of any Collateral, or, if not required by other Requirements of Law, fail to obtain Permits or other consents for the collection or disposition of any Collateral;

(iii) fail to exercise remedies against account debtors or other Persons obligated on any Collateral or to remove Liens on any Collateral or to remove any adverse claims against any Collateral;

(iv) advertise dispositions of any Collateral through publications or media of general circulation, whether or not such Collateral is of a specialized nature, or to contact other Persons, whether or not in the same business as any Grantor, for expressions of interest in acquiring any such Collateral;

(v) exercise collection remedies against account debtors and other Persons obligated on any Collateral, directly or through the use of collection agencies or other collection specialists, hire one or more professional auctioneers to assist in the disposition of any Collateral, whether or not such Collateral is of a specialized nature, or, to the extent deemed appropriate by Agent, obtain the services of other brokers, investment bankers, consultants and other professionals to assist Agent in the collection or disposition of any Collateral, or utilize 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 to dispose of any Collateral;

(vi) dispose of assets in wholesale rather than retail markets;

(vii) disclaim disposition warranties, such as title, possession or quiet enjoyment; or

(viii) purchase insurance or credit enhancements to insure Agent against risks of loss, collection or disposition of any Collateral or to provide to Agent a guaranteed return from the collection or disposition of any Collateral.

Each Grantor acknowledges that the purpose of this Section 6.1 is to provide a non-exhaustive list of actions or omissions that are commercially reasonable when exercising remedies against any Collateral and that other actions or omissions by the Secured Parties shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 6.1. Without limitation upon the foregoing, nothing contained in this Section 6.1 shall be construed to grant any rights to any Grantor or to impose any duties on Agent that would not have been granted or imposed by this Agreement or by applicable Requirements of Law in the absence of this Section 6.1.

(g) IP Licenses. For the purpose of enabling Agent to exercise rights and remedies under this Section 6.1 (including in order to take possession of, collect, receive, assemble, process, appropriate, remove, realize upon, sell, assign, convey, transfer or grant options to purchase any Collateral) at such time as Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to Agent, for the benefit of the Secured Parties, (i) an irrevocable, nonexclusive, worldwide license (exercisable without payment of royalty or other compensation to such Grantor), including in such license the right to sublicense, use and practice any Intellectual Property now owned or hereafter acquired by such Grantor and access to all media in which any of the licensed items may be recorded or stored and to all Software and programs used for the compilation or printout thereof and (ii) an irrevocable license (without payment of rent or other compensation to such Grantor) to use, operate and occupy all real Property owned, operated, leased, subleased or otherwise occupied by such Grantor.

Section 6.2 Accounts and Payments in Respect of General Intangibles. (a) In addition to, and not in substitution for, any similar requirement in the Credit Agreement, if required by Agent at any time during the continuance of an Event of Default, any payment of accounts or payment in respect of general intangibles, when collected by any Grantor, shall be promptly (and, in any event, within 2 Business Days) deposited by such Grantor in the exact form received, duly indorsed by such Grantor to Agent, in a Cash Collateral Account, subject to withdrawal by Agent as provided in Section 6.4. Until so turned over, such payment shall be held by such Grantor in trust for Agent, segregated from other funds of such Grantor. Each such deposit of proceeds of accounts and payments in respect of general intangibles shall be accompanied by a report identifying in reasonable detail the nature and source of the payments included in the deposit.

(b) At any time during the continuance of an Event of Default:

(i) each Grantor shall, upon Agent's request, deliver to Agent all original and other documents evidencing, and relating to, the Contractual Obligations and transactions that gave rise to any account or any payment in respect of general intangibles, including all original orders, invoices and shipping receipts and notify account debtors that the accounts or general intangibles have been collaterally assigned to Agent and that payments in respect thereof shall be made directly to Agent;

(ii) Agent may, without notice, at any time during the continuance of an Event of Default, limit or terminate the authority of a Grantor to collect its accounts or amounts due under general intangibles or any thereof and, in its own name or in the name of others, communicate with account debtors to verify with them to Agent's satisfaction the existence, amount and terms of any account or amounts due under any general intangible. In addition, Agent may at any time enforce such Grantor's rights against such account debtors and obligors of general intangibles; and

(iii) each Grantor shall take all actions, deliver all documents and provide all information necessary or reasonably requested by Agent to ensure any Internet Domain Name is registered.

(c) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each account and each payment in respect of general intangibles to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. No Secured Party shall have any obligation or liability under any agreement giving rise to an account or a payment in respect of a general intangible by reason of or arising out of any Loan Document or the receipt by any Secured Party of any payment relating thereto, nor shall any Secured Party be obligated in any manner to perform any obligation of any Grantor under or pursuant to any agreement giving rise to an account or a payment in respect of a general intangible, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts that may have been assigned to it or to which it may be entitled at any time or times.

Section 6.3 Pledged Collateral. (a) Voting Rights. During the continuance of an Event of Default, upon notice by Agent to the relevant Grantor or Grantors, Agent or its nominee may exercise (A) any voting, consent, corporate and other right pertaining to the Pledged Collateral at any meeting of shareholders, partners or members, as the case may be, of the relevant issuer or issuers of Pledged Collateral or otherwise and (B) any right of conversion, exchange and subscription and any other right, privilege or option pertaining to the Pledged Collateral as if it were the absolute owner thereof (including the right to exchange at its discretion any Pledged Collateral upon the merger, amalgamation, consolidation, reorganization, recapitalization or other fundamental change in the corporate or equivalent structure of any issuer of Pledged Stock, the right to deposit and deliver any Pledged Collateral with any committee, depositary, transfer agent, registrar or other designated agency upon such terms and conditions as Agent may determine), all without liability except to account for property actually received by it; provided, however, that Agent shall have no duty to any Grantor to exercise any such right, privilege or option and shall not be responsible for any failure to do so or delay in so doing.

(b) Proxies. In order to permit Agent to exercise the voting and other consensual rights that it may be entitled to exercise pursuant hereto and to receive all dividends and other distributions that it may be entitled to receive hereunder, (i) each Grantor shall promptly execute and deliver (or cause to be executed and delivered) to Agent all such proxies, dividend payment orders and other instruments as Agent may from time to time reasonably request and (ii) without limiting the effect of clause (i) above, such Grantor hereby grants to Agent an irrevocable proxy to vote all or any part of the Pledged Collateral and to exercise all other rights, powers, privileges and remedies to which a holder of the Pledged Collateral would be entitled (including giving or withholding written consents of shareholders, partners or

members, as the case may be, calling special meetings of shareholders, partners or members, as the case may be, and voting at such meetings), which proxy shall be effective, automatically and without the necessity of any action (including any transfer of any Pledged Collateral on the record books of the issuer thereof) by any other person (including the issuer of such Pledged Collateral or any officer or agent thereof) during the continuance of an Event of Default and which proxy shall only terminate upon the payment in full of the Secured Obligations (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted).

(c) Authorization of Issuers. Each Grantor hereby expressly and irrevocably authorizes and instructs, without any further instructions from such Grantor, each issuer of any Pledged Collateral pledged hereunder by such Grantor to (i) comply with any instruction received by it from Agent in writing that states that an Event of Default is continuing and is otherwise in accordance with the terms of this Agreement and each Grantor agrees that such issuer shall be fully protected from Liabilities to such Grantor in so complying and (ii) unless otherwise expressly permitted hereby or the Credit Agreement, pay any dividend or make any other payment with respect to the Pledged Collateral directly to Agent.

Section 6.4 Proceeds to be Turned over to and Held by Agent. Unless otherwise expressly provided in the Credit Agreement or this Agreement, all proceeds of any Collateral received by any Grantor hereunder in cash or Cash Equivalents shall be held by such Grantor in trust for Agent and the other Secured Parties, segregated from other funds of such Grantor, and shall, promptly upon receipt by any Grantor, be turned over to Agent in the exact form received (with any necessary endorsement). All such proceeds of Collateral and any other proceeds of any Collateral received by Agent in cash or Cash Equivalents shall be held by Agent in a Cash Collateral Account. All proceeds being held by Agent in a Cash Collateral Account (or by such Grantor in trust for Agent) shall continue to be held as collateral security for the Secured Obligations and shall not constitute payment thereof until applied as provided in the Credit Agreement.

Section 6.5 Sale of Pledged Collateral. (a) Each Grantor recognizes that Agent may be unable to effect a public sale of any Pledged Collateral by reason of certain prohibitions contained in the Securities Act and applicable state or foreign securities laws or otherwise or may determine that a public sale is impracticable, not desirable or not commercially reasonable and, accordingly, may resort to one or more private sales thereof to a restricted group of purchasers that shall be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. Agent shall be under no obligation to delay a sale of any Pledged Collateral for the period of time necessary to permit the issuer thereof to register such securities for public sale under the Securities Act or under applicable state securities laws even if such issuer would agree to do so.

(b) Each Grantor agrees to use its commercially reasonable efforts to do or cause to be done all such other acts as may be necessary to make such sale or sales of any portion of the Pledged Collateral pursuant to Section 6.1 and this Section 6.5 valid and binding and in compliance with all applicable Requirements of Law. Each Grantor further agrees that a breach of any covenant contained herein will cause irreparable injury to Agent and other Secured Parties, that Agent and the other Secured Parties have no adequate remedy at law in respect of such

breach and, as a consequence, that each and every covenant contained herein shall be specifically enforceable against such Grantor, and such Grantor hereby waives and agrees not to assert any defense against an action for specific performance of such covenants except for a defense that no Event of Default has occurred under the Credit Agreement. Each Grantor waives any and all rights of contribution or subrogation upon the sale or disposition of all or any portion of the Pledged Collateral by Agent.

Section 6.6 Deficiency. Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of any Collateral are insufficient to pay the Secured Obligations and the fees and disbursements of any attorney employed by Agent or any other Secured Party to collect such deficiency.

Section 6.7 Activation Notice. Agent shall not issue any instructions to the financial institutions with which Grantors maintain deposit accounts, securities accounts, commodities accounts or other accounts for which a Control Agreement has been executed except upon the occurrence and during the continuance of an Event of Default, during which time Agent shall have the right to block the Grantors from withdrawing funds, may instruct the financial institution to deliver such funds in accordance with Agent's instructions and otherwise may exercise all rights and remedies set forth in the Control Agreements.

ARTICLE VII.

AGENT

Section 7.1 Agent's Appointment as Attorney-in-Fact. (a) Each Grantor hereby irrevocably constitutes and appoints Agent and any Related Person thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in its own name, for the purpose of carrying out the terms of the Loan Documents, to take any appropriate action and to execute any document or instrument that may be necessary or desirable to accomplish the purposes of the Loan Documents, and, without limiting the generality of the foregoing, each Grantor hereby gives Agent and its Related Persons the power and right, on behalf of such Grantor, without notice to or assent by such Grantor, to do any of the following when an Event of Default shall be continuing:

(i) in the name of such Grantor, in its own name or otherwise, take possession of and indorse and collect any check, draft, note, acceptance or other instrument for the payment of moneys due under any account or general intangible or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Agent for the purpose of collecting any such moneys due under any account or general intangible or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property owned by or licensed to the Grantors, execute, deliver and have recorded any document that Agent may request to evidence, effect, publicize or record Agent's security interest in such Intellectual Property and the goodwill and general intangibles of such Grantor relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against any Collateral, effect any repair or pay any insurance called for by the terms of the Credit Agreement (including all or any part of the premiums therefor and the costs thereof);

(iv) execute, in connection with any sale provided for in Section 6.1 or Section 6.5, any document to effect or otherwise necessary or appropriate in relation to evidence the sale of any Collateral; or

(v) (A) direct any party liable for any payment under any Collateral to make payment of any moneys due or to become due thereunder directly to Agent or as Agent shall direct, (B) ask or demand for, and collect and receive payment of and receipt for, any moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral, (C) sign and indorse any invoice, freight or express bill, bill of lading, storage or warehouse receipt, draft against debtors, assignment, verification, notice and other document in connection with any Collateral, (D) commence and prosecute any suit, action or proceeding at law or in equity in any court of competent jurisdiction to collect any Collateral and to enforce any other right in respect of any Collateral, (E) defend any actions, suits, proceedings, audits, claims, demands, orders or disputes brought against such Grantor with respect to any Collateral, (F) settle, compromise or adjust any such actions, suits, proceedings, audits, claims, demands, orders or disputes and, in connection therewith, give such discharges or releases as Agent may deem appropriate, (G) assign any Intellectual Property owned by the Grantors or any IP Licenses of the Grantors throughout the world on such terms and conditions and in such manner as Agent shall in its sole discretion determine, including the execution and filing of any document necessary to effectuate or record such assignment and (H) generally, sell, assign, convey, transfer or grant a Lien on, make any Contractual Obligation with respect to and otherwise deal with, any Collateral as fully and completely as though Agent were the absolute owner thereof for all purposes and do, at Agent's option, at any time or from time to time, all acts and things that Agent deems necessary to protect, preserve or realize upon any Collateral and the Secured Parties' security interests therein and to effect the intent of the Loan Documents, all as fully and effectively as such Grantor might do.

(vi) If any Grantor fails to perform or comply with any Contractual Obligation contained herein, Agent, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such Contractual Obligation.

(a) The expenses of Agent incurred in connection with actions undertaken as provided in this Section 7.1, together with interest thereon at a rate set forth in subsection 1.3(c) of the Credit Agreement, from the date of payment by Agent to the date reimbursed by the relevant Grantor, shall be payable by such Grantor to Agent on demand.

(b) Each Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue of this Section 7.1. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the security interests created hereby are released.

Section 7.2 Authorization to File Financing Statements. Each Grantor authorizes Agent and its Related Persons, at any time and from time to time, to file or record financing statements, amendments thereto, and other filing or recording documents or instruments with respect to any Collateral in such form and in such offices as Agent reasonably determines appropriate to perfect, or continue or maintain perfection of, the security interests of Agent under this Agreement, and such financing statements and amendments may describe the Collateral covered thereby as "all assets of the debtor". A copy of this Agreement shall be sufficient as a financing statement or other filing or recording document or instrument for filing or recording in

any jurisdiction. Such Grantor also hereby ratifies its authorization for Agent to have filed any initial financing statement or amendment thereto under the UCC (or other similar laws) in effect in any jurisdiction if filed prior to the date hereof.

Section 7.3 Authority of Agent. Each Grantor acknowledges that the rights and responsibilities of Agent under this Agreement with respect to any action taken by Agent or the exercise or non-exercise by Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between Agent and the other Secured Parties, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between Agent and the Grantors, Agent shall be conclusively presumed to be acting as agent for the Secured Parties with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation or entitlement to make any inquiry respecting such authority.

Section 7.4 Duty; Obligations and Liabilities. (a) Duty of Agent. Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession shall be to deal with it in the same manner as Agent deals with similar property for its own account. The powers conferred on Agent hereunder are solely to protect Agent's interest in the Collateral and shall not impose any duty upon Agent to exercise any such powers. Agent shall be accountable only for amounts that it receives as a result of the exercise of such powers, and neither it nor any of its Related Persons shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct as finally determined by a court of competent jurisdiction. In addition, Agent shall not be liable or responsible for any loss or damage to any Collateral, or for any diminution in the value thereof, by reason of the act or omission of any warehousemen, carrier, forwarding agency, consignee or other bailee if such Person has been selected by Agent in good faith.

(b) Obligations and Liabilities with respect to Collateral. No Secured Party and no Related Person thereof shall be liable for failure to demand, collect or realize upon any Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with regard to any Collateral. The powers conferred on Agent hereunder shall not impose any duty upon any other Secured Party to exercise any such powers. The other Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their respective officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct as finally determined by a court of competent jurisdiction.

ARTICLE VIII.

MISCELLANEOUS

Section 8.1 Reinstatement. Each Grantor agrees that, if any payment made by any Credit Party or other Person and applied to the Secured Obligations is at any time annulled, avoided, set aside, rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be refunded or repaid, or the proceeds of any Collateral are required to be returned by any Secured Party to such Credit Party, its estate, trustee, receiver or any other party, including any Grantor, under any bankruptcy law, state or federal law, common law or equitable cause, then, to the extent of such payment or repayment, any Lien or other Collateral securing such

liability shall be and remain in full force and effect, as fully as if such payment had never been made. If, prior to any of the foregoing, (a) any Lien or other Collateral securing such Grantor's liability hereunder shall have been released or terminated by virtue of the foregoing or (b) any provision of the Guaranty hereunder shall have been terminated, cancelled or surrendered, such Lien, other Collateral or provision shall be reinstated in full force and effect and such prior release, termination, cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect the obligations of any such Grantor in respect of any Lien or other Collateral securing such obligation or the amount of such payment.

Section 8.2 Release of Collateral. (a) At the time provided in subsection 9.10(b)(iii) of the Credit Agreement, the Collateral shall be released from the Lien created hereby and this Agreement and all obligations (other than those expressly stated to survive such termination) of Agent and each Grantor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Grantors. Each Grantor is hereby authorized to file UCC amendments at such time evidencing the termination of the Liens so released. At the request of any Grantor following any such termination, Agent shall deliver to such Grantor any Collateral of such Grantor held by Agent hereunder and execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence such termination.

(b) If Agent shall be directed or permitted pursuant to subsection 9.10(b) of the Credit Agreement to release any Lien or any Collateral, such Collateral shall be released from the Lien created hereby to the extent provided under, and subject to the terms and conditions set forth in, such subsection. In connection therewith, Agent, at the request of any Grantor, shall execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence such release.

(c) At the time provided in subsection 9.10(a) of the Credit Agreement and at the request of the Borrower Representative, a Grantor shall be released from its obligations hereunder in the event that all the Stock and Stock Equivalents of such Grantor shall be sold to any Person that is not an Affiliate of a Borrower or the Subsidiaries of a Borrower in a transaction permitted by the Loan Documents.

Section 8.3 Independent Obligations. The obligations of each Grantor hereunder are independent of and separate from the Secured Obligations and the Guaranteed Obligations. If any Secured Obligation or Guaranteed Obligation is not paid when due, or upon any Event of Default, Agent may, at its sole election, proceed directly and at once, without notice, against any Grantor and any Collateral to collect and recover the full amount of any Secured Obligation or Guaranteed Obligation then due, without first proceeding against any other Grantor, any other Credit Party or any other Collateral and without first joining any other Grantor or any other Credit Party in any proceeding.

Section 8.4 No Waiver by Course of Conduct. No Secured Party shall by any act (except by a written instrument pursuant to Section 8.5), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure to exercise, nor any delay in exercising, on the part of any Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by any Secured

Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that such Secured Party would otherwise have on any future occasion.

Section 8.5 Amendments in Writing. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with Section 10.1 of the Credit Agreement; provided, however, that annexes to this Agreement may be supplemented (but no existing provisions may be modified and no Collateral may be released) through Pledge Amendments and Joinder Agreements, in substantially the form of Annex 1 and Annex 2, respectively, in each case duly executed by Agent and each Grantor directly affected thereby.

Section 8.6 Additional Grantors; Additional Pledged Collateral. (a) Joinder Agreements. If, at the option of a Borrower or as required pursuant to Section 5.13 of the Credit Agreement, a Borrower shall cause any Subsidiary that is not a Grantor to become a Grantor hereunder, such Subsidiary shall execute and deliver to Agent a Joinder Agreement substantially in the form of Annex 2 and shall thereafter for all purposes be a party hereto and have the same rights, benefits and obligations as a Grantor party hereto on the Closing Date.

(b) Pledge Amendments. To the extent any Pledged Collateral has not been delivered as of the Closing Date, such Grantor shall deliver a pledge amendment duly executed by the Grantor in substantially the form of Annex 1 (each, a "***Pledge Amendment***"). Such Grantor authorizes Agent to attach each Pledge Amendment to this Agreement.

Section 8.7 Notices. All notices, requests and demands to or upon Agent or any Grantor hereunder shall be effected in the manner provided for in Section 10.2 of the Credit Agreement; provided, however, that any such notice, request or demand to or upon any Grantor shall be addressed to the Borrowers' notice address set forth in such Section 10.2.

Section 8.8 Successors and Assigns. This Agreement shall be binding upon the successors and assigns of each Grantor and shall inure to the benefit of each Secured Party and their successors and assigns; provided, however, that no Grantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of Agent.

Section 8.9 Counterparts. This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart. Delivery of an executed signature page of this Agreement by facsimile transmission or by Electronic Transmission shall be as effective as delivery of a manually executed counterpart hereof.

Section 8.10 Severability. Any provision of this Agreement being held illegal, invalid or unenforceable in any jurisdiction shall not affect any part of such provision not held illegal, invalid or unenforceable, any other provision of this Agreement or any part of such provision in any other jurisdiction.

Section 8.11 Governing Law. This Agreement and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

Section 8.12 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO, OR DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH, ANY LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED THEREIN OR RELATED THERETO (WHETHER FOUNDED IN CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO OTHER PARTY AND NO RELATED PERSON 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 THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.12.

EACH GRANTOR AGREES TO BE BOUND BY THE PROVISIONS OF SUBSECTION 10.18(b) AND (c) OF THE CREDIT AGREEMENT.

Section 8.13 Reaffirmation. Each Grantor party to any Loan Document entered into prior to execution of this Agreement in connection with the Existing Credit Agreement as identified on Schedule 6 of the Disclosure Letter hereby (the "***Reaffirmed Documents***") (i) ratifies and reaffirms (A) its obligations under each Reaffirmed Document, (B) that all Liens granted to Agent to secure the Obligations under and as defined in the Existing Credit Agreement remain in full force and effect except as otherwise amended and restated hereby and (C) the validity, perfection or priority of such Liens will not be impaired by the amendment and restatement of the Existing Credit Agreement or this Agreement; (ii) acknowledges and agrees that (A) all references, whether direct or indirect, in each Reaffirmed Document to the "Credit Agreement" and "Obligations" shall mean and be a reference to the Credit Agreement (as may be amended, amended and restated, modified or supplemented and in effect from time to time) and the Obligations, (B) the definition of any term defined in any Reaffirmed Document by reference to the terms defined in the Existing Credit Agreement shall be amended to be defined by reference to the defined term in the Credit Agreement (as may be amended, amended and restated, modified or supplemented and in effect from time to time), and (C) this Agreement is intended to restate, renew, extend, consolidate, amend and modify the Existing Guaranty and Security Agreement in its entirety and shall not constitute a novation of the Obligations under the Existing Guaranty and Security Agreement; and (iii) represents and warrants that the representations and warranties contained in each Reaffirmed Document are true and correct in all material respects (without duplication of any materiality qualifier contained therein) on and as of the date hereof as if made on the date hereof.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each of the undersigned has caused this Amended and Restated Guaranty and Security Agreement to be duly executed and delivered as of the date first above written.

CRYOLIFE, INC.,
as Grantor

By: /s/ D. Ashley Lee
Name: D. Ashley Lee
Title: Chief Financial Officer

ON-X LIFE TECHNOLOGIES HOLDINGS, INC.,
as Grantor

By: /s/ D. Ashley Lee
Name: D. Ashely Lee
Title: Chief Financial Officer

AURAZYME PHARMACEUTICALS, INC.,
as Grantor

By: /s/ D. Ashley Lee
Name: D. Ashley Lee
Title: Chief Financial Officer

CRYOLIFE INTERNATIONAL, INC.,
as Grantor

By: /s/ D. Ashley Lee
Name: D. Ashley Lee
Title: Chief Financial Officer

ON-X LIFE TECHNOLOGIES, INC.,
as Grantor

By: /s/ D. Ashely Lee
Name: D. Ashely Lee
Title: Chief Financial Officer

VALVE SPECIAL PURPOSE CO., LLC,
as Grantor

By: /s/ D. Ashley Lee
Name: D. Ashley Lee
Title: Chief Financial Officer

ACCEPTED AND AGREED
as of the date first above written:

HEALTHCARE FINANCIAL SOLUTIONS, LLC
as Agent

By: /s/ Maryana Olman
Name: Maryana Olman
Title: Its duly authorized signatory

ANNEX 1
TO
GUARANTY AND SECURITY AGREEMENT[1]

ANNEX 1
TO
GUARANTY AND SECURITY AGREEMENT[1]

FORM OF PLEDGE AMENDMENT

This Pledge Amendment, dated as of _____ __, 20__, is delivered pursuant to Section 8.6 of the Amended and Restated Guaranty and Security Agreement, dated as of January 20, 2016, by CryoLife, Inc. and On-X Life Technologies Holdings, Inc. (together, the "***Borrowers***"), the undersigned Grantor and the other Affiliates of the Borrowers from time to time party thereto as Grantors in favor of Healthcare Financial Solutions, LLC, as Agent for the Secured Parties referred to therein (the "***Guaranty and Security Agreement***"). Capitalized terms used herein without definition are used as defined in the Guaranty and Security Agreement.

The undersigned hereby agrees that this Pledge Amendment may be attached to the Guaranty and Security Agreement and that the Pledged Collateral listed on Annex 1-A to this Pledge Amendment shall be and become part of the Collateral referred to in the Guaranty and Security Agreement and shall secure all Obligations of the undersigned.

The undersigned hereby represents and warrants that each of the representations and warranties contained in Sections 4.1, 4.2, 4.5 and 4.10 of the Guaranty and Security Agreement is true and correct and as of the date hereof as if made on and as of such date.

[GRANTOR]

By:
Name:
Title:

ACKNOWLEDGED AND AGREED
as of the date first above written:

HEALTHCARE FINANCIAL SOLUTIONS, LLC
as Agent

By: _____
Name:
Title:

To be used for pledge of Additional Pledged Collateral by existing Grantor.

PLEDGED STOCK

ISSUER	CLASS	CERTIFICATE NO(S).	PAR VALUE	NO. OF SHARES, UNITS OR INTERESTS

PLEDGED DEBT INSTRUMENTS

ISSUER	DESCRIPTION OF DEBT	CERTIFICATE NO(S).	FINAL MATURITY	PRINCIPAL AMOUNT

ANNEX 2
TO
GUARANTY AND SECURITY AGREEMENT

FORM OF JOINDER AGREEMENT

This JOINDER AGREEMENT, dated as of _____ __, 201_, is delivered pursuant to Section 8.6 of the Amended and Restated Guaranty and Security Agreement, dated as of January 20, 2016, by CryoLife, Inc. and On-X Life Technologies Holdings, Inc. (together, the "***Borrowers***") and the Affiliates of the Borrowers from time to time party thereto as Grantors in favor of the Healthcare Financial Solutions, LLC, as Agent for the Secured Parties referred to therein (as such agreement may be amended, restated, supplemented and/or otherwise modified from time to time, the "***Guaranty and Security Agreement***"). Capitalized terms used herein without definition are used as defined in the Guaranty and Security Agreement.

By executing and delivering this Joinder Agreement, the undersigned, as provided in Section 8.6 of the Guaranty and Security Agreement, hereby becomes a party to the Guaranty and Security Agreement as a Grantor thereunder with the same force and effect as if originally named as a Grantor therein and, without limiting the generality of the foregoing, as collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations of the undersigned, hereby mortgages, pledges and hypothecates to Agent for the benefit of the Secured Parties, and grants to Agent for the benefit of the Secured Parties a lien on and security interest in, all of its right, title and interest in, to and under the Collateral of the undersigned and expressly assumes all obligations and liabilities of a Grantor thereunder. The undersigned hereby agrees to be bound as a Grantor for the purposes of the Guaranty and Security Agreement.

The information set forth in Annex 1-A is hereby added to the information set forth in Schedules 1 through 5 to the Guaranty and Security Agreement By acknowledging and agreeing to this Joinder Agreement, the undersigned hereby agree that this Joinder Agreement may be attached to the Guaranty and Security Agreement and that the Collateral listed on Annex 1-A to this Joinder Amendment shall be and become part of the Collateral referred to in the Guaranty and Security Agreement and shall secure all Secured Obligations of the undersigned.

The undersigned hereby represents and warrants that each of the representations and warranties contained in ***Article IV*** of the Guaranty and Security Agreement applicable to it is true and correct on and as the date hereof as if made on and as of such date.

IN WITNESS WHEREOF, THE UNDERSIGNED HAS CAUSED THIS JOINDER AGREEMENT TO BE DULY EXECUTED AND DELIVERED AS OF THE DATE FIRST ABOVE WRITTEN.

[Additional Grantor]

By:
Name:
Title:

ACKNOWLEDGED AND AGREED
as of the date first above written:

[EACH GRANTOR PLEDGING
ADDITIONAL COLLATERAL]

By:
Name:
Title:

HEALTHCARE FINANCIAL SOLUTIONS, LLC
as Agent

By:
Name:
Title:

ANNEX 3
TO
GUARANTY AND SECURITY AGREEMENT

FORM OF INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS [COPYRIGHT] [PATENT] [TRADEMARK] SECURITY AGREEMENT, dated as of _____ __, 201_, is made by each of the entities listed on the signature pages hereof (each a "***Grantor***" and, collectively, the "***Grantors***"), in favor of Healthcare Financial Solutions, LLC ("***HFS***"), as administrative agent (in such capacity, together with its successors and permitted assigns, the "***Agent***") for the Secured Parties (as defined in the Credit Agreement referred to below) and the other Secured Parties.

W I T N E S S E T H:

WHEREAS, pursuant to the Credit Agreement, dated as of _____ __, 201_ (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "***Credit Agreement***"), among the Borrowers, the Borrower Representative, the other Credit Parties, the Lenders and the L/C Issuers from time to time party thereto and HFS, as Agent for the Lenders and the L/C Issuers, the Lenders and the L/C Issuers have severally agreed to make extensions of credit to the Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, each Grantor has agreed, pursuant to an Amended and Restated Guaranty and Security Agreement of even date herewith in favor of Agent (and such agreement may be amended, restated, supplemented or otherwise modified from time to time, the "***Guaranty and Security Agreement***"), to guarantee the Obligations (as defined in the Credit Agreement) of each Borrower; and

WHEREAS, all of the Grantors are party to the Guaranty and Security Agreement pursuant to which the Grantors are required to execute and deliver this [Copyright] [Patent] [Trademark] Security Agreement;

NOW, THEREFORE, in consideration of the premises and to induce the Lenders, the L/C Issuers and Agent to enter into the Credit Agreement and to induce the Lenders and the L/C Issuers to make their respective extensions of credit to the Borrowers thereunder, each Grantor hereby agrees with Agent as follows:

Section 1. ***Defined Terms***. Capitalized terms used herein without definition are used as defined in the Guaranty and Security Agreement.

Section 2. ***Grant of Security Interest in [Copyright] [Trademark] [Patent] Collateral***. Each Grantor, as collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations of such Grantor, hereby mortgages, pledges and hypothecates to Agent for the benefit of the Secured Parties, and grants to Agent for the benefit of the Secured Parties a Lien on and security interest in, all of its right, title and interest in, to and under the following Collateral of such Grantor (the "***[Copyright] [Patent] [Trademark] Collateral***"):

(a) [all of its Copyrights and all IP Licenses providing for the grant by or to such Grantor of any right under any Copyright, including, without limitation, those referred to on Schedule 1;

(b) all renewals, reversions and extensions of the foregoing; and

(c) all income, royalties, proceeds and Liabilities at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof.]

or

(a) [all of its Patents and all IP Licenses providing for the grant by or to such Grantor of any right under any Patent, including, without limitation, those referred to on Schedule 1;

(b) all reissues, reexaminations, continuations, continuations-in-part, divisionals, renewals and extensions of the foregoing; and

(c) all income, royalties, proceeds and Liabilities at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof.]

or

(a) [all of its Trademarks and all IP Licenses providing for the grant by or to such Grantor of any right under any Trademark, including, without limitation, those referred to on Schedule 1; provided, however that no Lien on and security interest is granted on any "intent to use" Trademark applications for which a statement of use has not been filed;

(b) all renewals and extensions of the foregoing;

(c) all goodwill of the business connected with the use of, and symbolized by, each such Trademark; and

(d) all income, royalties, proceeds and Liabilities at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof.]

Section 3. ***Guaranty and Security Agreement***. The security interest granted pursuant to this [Copyright] [Patent] [Trademark] Security Agreement is granted in conjunction with the security interest granted to Agent pursuant to the Guaranty and Security Agreement and each Grantor hereby acknowledges and agrees that the rights and remedies of Agent with respect to the security interest in the [Copyright] [Patent] [Trademark] Collateral made and granted hereby are more fully set forth in the Guaranty and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this [Copyright] [Patent] [Trademark] Security Agreement is deemed to conflict with

the Guaranty and Security Agreement, the provisions of the Guaranty and Security Agreement shall control.

Section 4. ***Grantor Remains Liable***. Each Grantor hereby agrees that, anything herein to the contrary notwithstanding, such Grantor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with their [Copyrights] [Patents] [Trademarks] and IP Licenses subject to a security interest hereunder.

Section 5. ***Counterparts***. This [Copyright] [Patent] [Trademark] Security Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart.

Section 6. ***Governing Law***. This [Copyright] [Patent] [Trademark] Security Agreement and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each Grantor has caused this [Copyright] [Patent] [Trademark] Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

Very truly yours,

[GRANTOR]
as Grantor

By:
Name:
Title:

ACCEPTED AND AGREED
as of the date first above written:

HEALTHCARE FINANCIAL SOLUTIONS, LLC
as Agent

By:
Name:
Title:

[Signature Page to [Copyright] [Patent] [Trademark] Security Agreement]

SCHEDULE I
TO
[COPYRIGHT] [PATENT] [TRADEMARK] SECURITY AGREEMENT

[Copyright] [Patent] [Trademark] Registrations

1. REGISTERED [COPYRIGHTS] [PATENTS] [TRADEMARKS]

[Include Registration Number and Date]

2. [COPYRIGHT] [PATENT] [TRADEMARK] APPLICATIONS

[Include Application Number and Date]

3. IP LICENSES

[Include complete legal description of agreement (name of agreement, parties and date)]

Exhibit 99.1

FOR IMMEDIATE RELEASE

Contacts:

CryoLife
D. Ashley Lee
Executive Vice President, Chief Financial Officer and Chief Operating Officer

770-419-3355

The Ruth Group
Nick Laudico / Zack Kubow
646-536-7030 / 7020
nlaudico@theruthgroup.com
Phone: zkubow@theruthgroup.com

CryoLife Completes Acquisition of On-X Life Technologies Holdings, Inc.

Atlanta, GA – (January 20, 2016) – CryoLife, Inc. (NYSE: CRY), a leading medical device and tissue processing company focused on cardiac and vascular surgery, announced today that it has completed its previously announced acquisition of On-X Life Technologies Holdings, Inc. ("On-X"), an Austin, Texas-based, privately held mechanical heart valve company.

About CryoLife

Headquartered in suburban Atlanta, Georgia, CryoLife is a leader in the manufacturing, processing, and distribution of implantable living tissues and medical devices used in cardiac and vascular surgical procedures. CryoLife markets and sells products in more than 75 countries worldwide. For additional information about CryoLife, visit our website, www.cryolife.com.