

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

**Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

Valvoline Inc.

(Exact name of registrant as specified in its charter)

Kentucky
(State or other jurisdiction of
incorporation or organization)

2992
(Primary Standard Industrial
Classification Code Number)

30-0939371
(I.R.S. Employer
Identification No.)

100 Valvoline Way
Lexington, KY 40509
(859) 357-7777

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

SEE TABLE OF ADDITIONAL REGISTRANTS

Julie M. O'Daniel
Senior Vice President, General Counsel & Corporate Secretary
Valvoline Inc.
100 Valvoline Way
Lexington, KY 40509
(859) 357-7777

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:
Ilir Mujalovic
Richard B. Alsop
Shearman & Sterling LLP
599 Lexington Avenue
New York, N.Y. 10022
(212) 848-4000

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

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

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

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

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

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title Of Each Class Of Securities To Be Registered	Amount to be registered	Proposed Maximum Offering Price Per Note (1)	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee (2)
5.500% Senior Notes due 2024	\$375,000,000	100.000%	\$375,000,000	\$46,687.50
4.375% Senior Notes due 2025	\$400,000,000	100.000%	\$400,000,000	\$49,800.00
Guarantees of 5.500% Senior Notes due 2024	N/A	N/A	N/A	None (3)
Guarantees of 4.375% Senior Notes due 2025	N/A	N/A	N/A	None (3)
Total	\$775,000,000	N/A	\$775,000,000	\$96,487.50

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(f) under the Securities Act of 1933, as amended.

(2) Calculated in accordance with Rule 457(f) under the Securities Act.

(3) Pursuant to Rule 457(n) under the Securities Act, no separate filing fee is required for the guarantees.

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

TABLE OF ADDITIONAL REGISTRANTS

<u>Exact Name of Registrant as Specified in Its Charter (1)</u>	<u>Jurisdiction of Incorporation or Organization</u>	<u>Primary Standard Industrial Classification Code Number</u>	<u>I.R.S. Employee Identification Number</u>
Valvoline US LLC	Delaware	2992	37-1804991
Valvoline LLC	Delaware	2992	61-1782197
Valvoline Licensing and Intellectual Property LLC	Delaware	2992	81-1863417
Valvoline Branded Finance, Inc.	Delaware	2992	61-1283534
Valvoline International Holdings Inc.	Delaware	2992	81-3185974
Valvoline Instant Oil Change Franchising, Inc.	Delaware	2992	61-1143350
Relocation Properties Management LLC	Delaware	2992	61-1317265
VIOC Funding, Inc.	Delaware	2992	61-1143353
Valvoline International, Inc.	Delaware	2992	61-1290089
Funding Corp. I	Delaware	2992	61-1143983
OCH International, Inc.	Oregon	2992	93-0980747
OCHI Advertising Fund LLC	Oregon	2992	90-0517070
OCHI Holdings LLC	Oregon	2992	45-0542478
OCHI Holdings II LLC	Oregon	2992	33-1193327

(1) The address of the principal executive offices of all of the registrants is 100 Valvoline Way, Lexington, KY 40509 and the telephone number is (859) 357-7777.

The information in this prospectus is not complete and may be changed. We may not exchange these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale thereof is not permitted.

SUBJECT TO COMPLETION, DATED NOVEMBER 17, 2017

PROSPECTUS



Offers to Exchange

**\$375,000,000 Outstanding 5.500% Senior Notes due 2024
for**

Registered 5.500% Senior Notes due 2024

**Fully and unconditionally guaranteed as to payment of principal and interest by the guarantors
and**

**\$400,000,000 Outstanding 4.375% Senior Notes due 2025
for**

Registered 4.375% Senior Notes due 2025

Fully and unconditionally guaranteed as to payment of principal and interest by the guarantors

Valvoline Inc., a Kentucky corporation (“Valvoline” or the “Company”), is offering to exchange, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal, all of our outstanding 5.500% Senior Notes due 2024 (the “2024 Restricted Notes”) for an equivalent principal amount of our registered 5.500% Senior Notes due 2024 (the “2024 Exchange Notes”), and all of our outstanding 4.375% Senior Notes due 2025 (the “2025 Restricted Notes”) for an equivalent principal amount of our registered 4.375% Senior Notes due 2025 (the “2025 Exchange Notes”), such offers referred to herein, collectively, as the “exchange offers.” The 2024 Restricted Notes and the 2025 Restricted Notes are collectively referred to as the “Restricted Notes” and the 2024 Exchange Notes and the 2025 Exchange Notes are collectively referred to as the “Exchange Notes.” All references to the Exchange Notes and the Restricted Notes include references to the related guarantees by each of Valvoline’s subsidiaries (the “Subsidiary Guarantors”) that also guarantee Valvoline’s obligations under its existing senior secured credit facilities (collectively, the “Credit Facility”). See “Description of 2024 Exchange Notes—Guarantees” and “Description of 2025 Exchange Notes—Guarantees.” The Restricted Notes have certain transfer restrictions. The Exchange Notes will be freely transferable.

The principal features of the exchange offers are as follows:

- **THE EXCHANGE OFFERS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON _____, 2017 (THE “EXPIRATION DATE”), UNLESS WE EXTEND THE OFFERS.**
- The terms of the Exchange Notes are identical in all material respects to the Restricted Notes of the same series, except that the Exchange Notes are registered under the Securities Act of 1933, as amended (the “Securities Act”) and will not contain restrictions on transfer or provisions relating to additional interest, will bear a different CUSIP number from the Restricted Notes of the same series and will not entitle their holders to registration rights.
- The Exchange Notes, together with any Restricted Notes that are not exchanged in the exchange offers, will be governed by the same respective indentures governing the outstanding Restricted Notes, constitute the same class of debt securities for the purposes of such indentures and vote together on all matters.
- Tenders of outstanding Restricted Notes may be withdrawn at any time prior to the Expiration Date.
- All outstanding Restricted Notes that are validly tendered and not validly withdrawn will be exchanged.
- All untendered Restricted Notes will continue to be subject to the restrictions on transfer set forth in the outstanding Restricted Notes and in the respective indentures.
- The exchange of Restricted Notes for Exchange Notes will not be a taxable event for U.S. federal income tax purposes.
- The Company will not receive any proceeds from the exchange offers.
- The Exchange Notes will not be listed on any securities exchange or for quotation through any automated dealer quotation system.

Each holder of Restricted Notes wishing to accept Exchange Notes in the exchange offers must deliver the Restricted Notes to be exchanged, together with the letter of transmittal that accompanies this prospectus and any other required documentation, to the exchange agent identified in this prospectus. Alternatively, you may effect a tender of Restricted Notes by book-entry transfer into the exchange agent’s account at The Depository Trust Company (“DTC”). All deliveries are at the risk of the holder. You can find detailed instructions concerning delivery in the section called “The Exchange Offers” in this prospectus and in the accompanying letter of transmittal.

Each broker-dealer that receives the Exchange Notes for its own account pursuant to the exchange offers must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Notes. The letter of transmittal accompanying this prospectus states that, by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of the Exchange Notes received in exchange for the Restricted Notes where such Restricted Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. See “Plan of Distribution.”

See “[Risk Factors](#)” beginning on page 17 for a discussion of risk factors that you should carefully consider before deciding to exchange your Restricted Notes for Exchange Notes.

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

The date of this prospectus is , 2017

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ABOUT THIS PROSPECTUS

You should rely only on the information Valvoline has included or incorporated by reference in this prospectus. Valvoline has not authorized anyone to provide you with any other information. If you receive any unauthorized information, you must not rely on it. Valvoline is not making the exchange offers to, nor will Valvoline accept surrenders for exchange from, holders of outstanding Restricted Notes in any jurisdiction in which the exchange offers would not be in compliance with the securities or blue sky laws of such jurisdiction or where it is otherwise unlawful. You should assume that the information contained in this prospectus is accurate only as of its date, and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since those dates.

It is important that you read and consider all of the information contained in this prospectus. You should also read and consider the information in the documents to which we have referred you in “Incorporation by Reference” and “Where You Can Find More Information.”

As used in this prospectus, unless otherwise indicated or the context otherwise requires the terms “Valvoline,” the “Company,” “we,” “us” and “our” may, depending on the context, refer to (i) Valvoline, (ii) the previous operations of Valvoline as an unincorporated business unit of Ashland LLC (now part of Ashland Global Holdings Inc., which together with its predecessors and consolidated subsidiaries is referred to herein as “Ashland”) or (iii) Valvoline and its consolidated subsidiaries.

TRADEMARKS, TRADE NAMES AND SERVICE MARKS

Valvoline uses various trademarks, trade names and service marks in its business, including Valvoline TM, Valvoline Instant Oil Change SM, MaxLife TM, SynPower TM and Premium Blue TM. For convenience, Valvoline may not include the SM, ® or TM symbols, but such omission is not meant to indicate that Valvoline would not protect its intellectual property rights to the fullest extent allowed by law. Any other trademarks, trade names or service marks referred to in this prospectus are the property of their respective owners.

INDUSTRY AND MARKET DATA

This prospectus includes and incorporates by reference industry data and forecasts that Valvoline obtained from industry publications and surveys, public filings and internal company sources. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of the included information. Statements as to our ranking, market position and market estimates are based on independent industry publications, third-party forecasts, management's estimates and assumptions about our markets and our internal research. Valvoline has not independently verified such third-party information nor has it ascertained the underlying economic assumptions relied upon in those sources, and Valvoline cannot assure you of the accuracy or completeness of such information contained in this prospectus. Such data involve risks and uncertainties and is subject to change based on various factors, including those discussed under "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements."

INCORPORATION BY REFERENCE

Valvoline is incorporating by reference in this prospectus some of the information that is included in its reports filed with the SEC, which means that Valvoline is disclosing important information to you by referring you to another document filed separately with the U.S. Securities and Exchange Commission (the "SEC"). Certain information that Valvoline files with the SEC after the date of this prospectus but prior to the completion of this offering will automatically update and supersede this information. Valvoline incorporates by reference into this prospectus the document listed below which Valvoline has filed with the SEC and any future filings made by Valvoline with the SEC under sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") until the date on which the exchange offers are consummated or earlier terminated (except the information contained in such documents to the extent "furnished" and not "filed"):

- Valvoline's Annual Report on Form 10-K for the year ended September 30, 2017, filed on November 17, 2017.

Any statement contained in a document incorporated or considered to be incorporated by reference in this prospectus shall be considered to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any subsequently filed document that is or is considered to be incorporated by reference modifies or supersedes such statement. Any statement that is modified or superseded shall not, except as so modified or superseded, constitute part of this prospectus.

You can obtain any of the documents incorporated by reference in this document from the SEC's website at the address described below. You may also request a copy of these filings, at no cost, by writing or telephoning at the address and telephone number set forth below. Valvoline will provide, without charge, upon written or oral request, a copy of any or all of the documents that are incorporated by reference into this prospectus, excluding any exhibits to those documents unless the exhibit is specifically incorporated by reference as an exhibit in this prospectus. You should direct requests for documents to:

Valvoline Inc.
100 Valvoline Way
Lexington, Kentucky 40509
Attention: Investor Relations
Phone: (859) 357-3155

WHERE YOU CAN FIND MORE INFORMATION

Valvoline files annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy these materials at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. You can obtain information about the operation of the SEC's public reference room by calling the SEC at 1-800-SEC-0330. The SEC also maintains a website that contains information Valvoline files electronically with the SEC, which you can access over the internet at <http://www.sec.gov>.

You may also access Valvoline's SEC filings under the heading "Investors" on Valvoline's website at <http://www.valvoline.com>. The information contained on or linked to or from Valvoline's website is not incorporated by reference into this prospectus and is not a part of this prospectus.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains and incorporates by reference forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements, other than statements of historical facts, contained or incorporated by reference in this prospectus, including statements regarding our industry, position, goals, strategy, future operations, future financial position, future revenues, estimated costs, prospects, margins, profitability, capital expenditures, liquidity, capital resources, dividends, plans and objectives of management, are forward-looking statements. Valvoline has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "predicts," "projects," "forecasts," "may," "will," "should" and "intends" and the negative of these words or other comparable terminology. In addition, Valvoline may from time to time make forward-looking statements in its annual report, quarterly reports and other filings with the SEC, news releases and other written and oral communications.

These forward-looking statements are based on Valvoline's current expectations and assumptions regarding, as of the date such statements are made, Valvoline's future operating performance and financial condition, strategic and competitive advantages, leadership and future opportunities, as well as the economy and other future events or circumstances. Valvoline's expectations and assumptions include, without limitation, internal forecasts and analyses of current and future market conditions and trends, management plans and strategies, operating efficiencies and economic conditions (such as prices, supply and demand, cost of raw materials, and the ability to recover raw-material cost increases through price increases), and risks and uncertainties associated with the following: demand for Valvoline's products and services; sales growth in emerging markets; the prices and margins of Valvoline's products and services; the strength of Valvoline's reputation and brand; Valvoline's ability to develop and successfully market new products and implement its digital platforms; Valvoline's ability to attract and retain key employees; Valvoline's ability to operate in highly competitive markets; Valvoline's ability to retain its largest customers; the success of Valvoline's marketing activities to promote and grow its business; potential product liability claims; new laws or regulations or changes in existing laws or regulations; imposition of new taxes or additional liabilities; Valvoline's ability to execute its growth strategy; third-party risks associated with Valvoline's joint ventures; dependence on franchised locations in Valvoline's Quick Lubes business; business disruptions from natural disasters; Valvoline's substantial indebtedness (including the possibility that such indebtedness and related restrictive covenants may adversely affect Valvoline's future cash flows, results of operations, financial condition and Valvoline's ability to repay debt); Valvoline's ability to access the capital markets or obtain bank credit; operating as a stand-alone public company; Valvoline's relationship with Ashland; payment-related risks associated with company-owned and franchised Quick Lubes locations; failure, caused by Valvoline, of the stock distribution to Ashland's stockholders to qualify for tax-free treatment, which may result in significant tax liabilities to Ashland for which Valvoline may be required to indemnify Ashland; and the impact of acquisitions and/or divestitures Valvoline has made or may make (including the possibility that Valvoline may not realize the anticipated benefits from such transactions or encounter difficulties with integration). These forward-looking statements are subject to a number of known and

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unknown risks, uncertainties and assumptions. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus and the documents incorporated by reference may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although Valvoline believes that the expectations reflected in these forward-looking statements are reasonable, Valvoline cannot guarantee future results, level of activity, performance or achievements. In addition, neither Valvoline nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by Valvoline or any other person that Valvoline will achieve its objectives and plans in any specified time frame, or at all. These forward-looking statements are as of the date of this prospectus or the documents incorporated by reference herein, as applicable. Other important factors that could cause actual results to differ materially from those contained in these forward-looking statements are discussed in the “Risk Factors” section of this prospectus, under “Use of estimates, risks and uncertainties” in Note 2 of Notes to Consolidated Financial Statements and in “Item 1A. Risk Factors” in Valvoline’s Annual Report on Form 10-K for the year ended September 30, 2017. Except as required by law, Valvoline assumes no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future. All forward-looking statements attributable to Valvoline are expressly qualified in their entirety by these cautionary statements as well as others made in this prospectus and hereafter in our other SEC filings and public communications. You should evaluate all forward-looking statements made by Valvoline in the context of these risks and uncertainties.

SUMMARY

This summary highlights certain information about us and the exchange offers contained elsewhere or incorporated by reference in this prospectus. This summary does not contain all of the information you should consider before participating in the exchange offers. You should read this entire prospectus and the information incorporated by reference carefully, especially the “Risk Factors” section and our financial statements and the related notes included elsewhere or incorporated by reference in this prospectus, before making an investment decision.

On September 22, 2015, Ashland announced that its board of directors approved proceeding with a plan to split Ashland into two independent, publicly traded companies comprised of its Valvoline business and its specialty chemicals businesses. Valvoline was incorporated in May 2016 as a subsidiary of Ashland in connection with the Separation. Following a series of restructuring steps, prior to the initial public offering of Valvoline (the “IPO”), Ashland contributed its Valvoline business to Valvoline (the “Contribution”), including substantially all of the historical Valvoline business previously reported by Ashland as well as certain other assets and liabilities. On September 28, 2016, Valvoline completed the IPO at which time Valvoline issued and sold 34,500,000 shares of its common stock to the public and Ashland continued to hold 170,000,000 shares or approximately 83% of the outstanding shares of common stock of Valvoline. On May 12, 2017, Ashland distributed all of its remaining interest in Valvoline to Ashland stockholders, marking the completion of Valvoline’s Separation from Ashland. Effective upon the distribution, Ashland no longer owns any shares of Valvoline common stock.

This prospectus and the documents incorporated herein by reference describe the businesses that were contributed to us by Ashland as part of the Separation as if they were our businesses for all historical periods described. Our historical financial results as part of Ashland contained or incorporated by reference in this prospectus may not reflect what our financial results would have been had we been a stand-alone company during the periods presented. Our fiscal year ends on September 30 of each year. We refer to the year ended September 30, 2017 as “fiscal 2017,” the year ended September 30, 2016 as “fiscal 2016” and the year ended September 30, 2015 as “fiscal 2015.”



Our Company

Valvoline is a worldwide producer, marketer and supplier of engine and automotive maintenance products and services. We are one of the most recognized and respected premium consumer brands in the global automotive lubricant industry, known for its high quality products and superior levels of service. Established in 1866, Valvoline’s heritage spans over 150 years, during which it has developed powerful name recognition across multiple product and service channels. With approximately 5,600 employees worldwide, we service the United States in all of the key lubricant sales channels, and have a strong international presence with our products sold in approximately 140 countries.

In the United States and Canada, our products are sold to consumers through over 30,000 retail outlets, to installer customers with over 12,000 locations, and through 1,127 Valvoline-branded franchised and company-owned stores. We serve our customer base through an extensive sales force and technical support organization, allowing us to leverage our technology portfolio and customer relationships globally, while meeting customer demands locally. This combination of scale and strong local presence is critical to our success.

We have a history of leading innovation with revolutionary products such as All Climate, DuraBlend, and MaxLife. In addition to our iconic Valvoline-branded passenger car motor oils and other automotive lubricant products, we provide a wide array of lubricants used in heavy duty equipment, as well as automotive chemicals and fluids designed to improve engine performance and lifespan. Our premium branded product offerings enhance our high-quality reputation and provide our customers with solutions that address a wide variety of needs.

Valvoline's reporting structure is principally composed of three reportable segments: Core North America, Quick Lubes and International:

- *Core North America:* The Core North America segment sells Valvoline and other branded and private label products in the United States and Canada to both retailers for sales to consumers who perform their own automotive maintenance, referred to as "Do-It-Yourself" or "DIY" consumers, as well as to installer customers who use Valvoline products to service vehicles owned by "Do-It-For-Me" or "DIFM" consumers. Valvoline DIY sales are primarily to retail auto parts stores, such as NAPA Auto Parts, AutoZone, O'Reilly Auto Parts and Advance Auto Parts, as well as leading mass merchandisers and independent auto part stores. Valvoline also sells branded products and services to installer customers such as car dealers, general repair shops and third-party quick lube locations, including Goodyear, Monro, Express Oil Change, TBC Retail Group, directly as well as through a national network of approximately 140 distributors. In addition, Valvoline also sells branded products and solutions to heavy duty customers, such as on-highway fleets and construction companies and has a strategic relationship with Cummins Inc. ("Cummins"), a leading heavy duty engine manufacturer, for co-branding products in the heavy duty business.
- *Quick Lubes:* The Quick Lubes segment services the passenger car and light truck quick lube market through two platforms: Valvoline's company-owned and franchised Valvoline Instant Oil Change ("VIOC") stores, the second largest U.S. retail quick lube service chain by number of stores; and Express Care, a quick lube customer platform developed for independent operators who purchase Valvoline motor oil and other products pursuant to contracts while displaying Valvoline branded signage. VIOC centers offer customers a quick, easy and trusted way to maintain their vehicles, utilizing well-trained technicians who have access to a proprietary service process that sets forth rigorous protocols for both the steps that must be followed in the service of vehicles and for interactions with customers. As of September 30, 2017, the VIOC network consisted of 384 company-owned and 743 franchised centers and operated in 46 states with eleven years of consecutive same-store sales growth for both company-owned and franchised centers (determined on a fiscal year basis, with new stores excluded from the metric until the completion of their first full fiscal year in operation). The Express Care platform supports smaller (typically single store) operators that do not fit Valvoline's franchise model and typically offer other non-quick lube services such as auto repairs and car washes. As of September 30, 2017, there were 316 Express Care locations.
- *International:* Valvoline's International segment sells Valvoline and other branded products through wholly-owned affiliates, joint ventures, licensees and independent distributors in approximately 140 countries outside of the United States and Canada. Key international markets include China; India; Europe, Middle East, and Africa; Latin America; and Australia Pacific. Valvoline has significant overall market share in India and Australia and a growing presence in a number of markets, with primary growth targets being China, India and select countries within Latin America. International sales include both passenger car products and heavy duty products used in a wide variety of heavy duty equipment. Passenger car, motorcycle and light duty truck products are sold internationally primarily through distributors to installer customers. Heavy duty products are sold either directly to key customers or through distributors. Valvoline goes to market in its International business segment in three ways: (1) through its own local sales, marketing, and back office support teams; (2) through joint

ventures; and (3) through independent distributors. Valvoline has 50/50 joint ventures with Cummins in India, China and Argentina, and smaller joint ventures in select countries in South America and Asia.

Corporate Information

Valvoline is a publicly traded corporation that was incorporated in Kentucky on May 13, 2016. Valvoline's common stock is listed on the NYSE under the symbol "VVV." Valvoline's principal executive offices are at 100 Valvoline Way, Lexington, Kentucky 40509 and Valvoline's telephone number is (859) 357-7777. Valvoline's website is <http://www.valvoline.com>. The information and other content contained on Valvoline's website is not part of this prospectus.

The Exchange Offers

On July 20, 2016, Valvoline Finco Two LLC (“Finco Two”), then a wholly owned subsidiary of Ashland, issued \$375.0 million aggregate principal amount of the 2024 Restricted Notes, which were guaranteed by Ashland. The 2024 Restricted Notes were issued in a private transaction that was not subject to the registration requirements of the Securities Act. On September 26, 2016, Ashland’s guarantee of the 2024 Restricted Notes was unconditionally released and Valvoline and the Subsidiary Guarantors became subject to the covenants and other terms and provisions of the 2024 Restricted Notes and the related indenture. In addition, Valvoline and the Subsidiary Guarantors entered into a registration rights agreement (the “2024 Registration Rights Agreement”) pursuant to which they agreed, among other things, to file the registration statement of which this prospectus is a part.

On August 8, 2017, Valvoline issued \$400.0 million aggregate principal amount of the 2025 Restricted Notes, which were guaranteed by the Subsidiary Guarantors. The 2025 Restricted Notes were issued in a private transaction that was not subject to the registration requirements of the Securities Act. Concurrently with the issuance of the 2025 Restricted Notes, Valvoline and the Subsidiary Guarantors entered into a registration rights agreement (the “2025 Registration Rights Agreement” and together with the 2024 Registration Rights Agreement, the “Registration Rights Agreements”) pursuant to which they agreed, among other things, to file the registration statement of which this prospectus is a part.

These exchange offers are intended to satisfy the obligations under the Registration Rights Agreements. After the exchange offers are completed, you will no longer be entitled to any registration rights with respect to the Restricted Notes. The Exchange Notes will be our obligations and will be entitled to the benefits of the respective indentures governing the Exchange Notes. The Exchange Notes will be fully and unconditionally guaranteed as to payment of principal and interest by each of the Subsidiary Guarantors. The form and terms of the respective series of Exchange Notes are identical in all material respects to the form and terms of the corresponding series of Restricted Notes, except that:

- the Exchange Notes have been registered under the Securities Act and, therefore, will contain no restrictive legends;
- the Exchange Notes will have no transfer restrictions;
- the Exchange Notes will not have registration rights; and
- the Exchange Notes will not have rights to additional interest.

The following is a summary of the exchange offers. For more information, please see “The Exchange Offers.”

The Exchange Offers

We are offering to exchange any and all of our 5.500% Senior Notes due 2024, which have been registered under the Securities Act, for any and all of our outstanding unregistered 5.500% Senior Notes due 2024 that were issued on July 20, 2016. As of the date of this prospectus, \$375.0 million in aggregate principal amount of our unregistered 5.500% Senior Notes due 2024 are outstanding.

We are also offering to exchange any and all of our 4.375% Senior Notes due 2025, which have been registered under the Securities Act, for any and all of our outstanding unregistered 4.375% Senior Notes due 2025 that were issued on August 8, 2017. As of the date of this prospectus, \$400.0 million in aggregate principal amount of our unregistered 4.375% Senior Notes due 2025 are outstanding.

Restricted Notes may be exchanged only in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. Exchange Notes will be issued only in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

CUSIPs

The CUSIP numbers for the 2024 Restricted Notes are 920479 AA0 (Rule 144A) and U92134 AA0 (Regulation S). The CUSIP number for the 2024 Exchange Notes is 920479 AB8.

The CUSIP numbers for the 2025 Restricted Notes are 92047W AA9 (Rule 144A) U92147 AA2 (Regulation S). The CUSIP number for the 2025 Exchange Notes is 92047W AB7.

Expiration Date

The exchange offers expire at 12:00 midnight, New York City time, on _____, 2017, unless we extend the exchange offers, in which case the Expiration Date will be the latest date and time to which we extend the exchange offers. See “The Exchange Offers—Expiration Date; Extensions; Termination; Amendments.

Conditions to the Exchange Offers

Despite any other term of the exchange offers, the Company will not be required to accept for exchange, or to issue Exchange Notes in exchange for, any outstanding Restricted Notes and it may terminate or amend the exchange offers as provided in this prospectus prior to the Expiration Date if in its reasonable judgment:

- the exchange offers or the making of any exchange by a holder violates any applicable law or interpretation of the SEC;
- any action or proceeding has been instituted or threatened in writing in any court or by or before any governmental agency with respect to the exchange offers that, in our judgment, would reasonably be expected to impair our ability to proceed with the exchange offers; or
- any law, rule or regulation or applicable interpretations of the staff of the SEC have been issued or promulgated, which, in our good faith determination, does not permit us to effect either exchange offers.

In addition, the Company will not be obligated to accept for exchange the outstanding Restricted Notes of any holder that has not made to us:

- the representations described under “The Exchange Offers—Purpose and Effect of the Exchange Offers,” “—Procedures for Tendering Restricted Notes” and “—Acceptance of Restricted Notes for Exchange”; or

- any other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to make available to us an appropriate form for registration of the Exchange Notes under the Securities Act.

The Company expressly reserves the right to amend or terminate the exchange offers and to reject for exchange any outstanding Restricted Notes not previously accepted for exchange, upon the occurrence of any of the conditions to the exchange offers specified above. The Company will give oral or written notice of any extension, amendment, non—acceptance or termination of the exchange offers to the holders of the outstanding Restricted Notes as promptly as practicable.

These conditions are for our sole benefit, and the Company may assert them regardless of the circumstances that may give rise to them or waive them in whole or in part at any or at various times prior to the Expiration Date in our sole discretion.

Resale of the Exchange Notes

Based on interpretations by the SEC set forth in no—action letters issued to third parties, we believe that you may resell or otherwise transfer Exchange Notes issued in the exchange offers without complying with the registration and prospectus delivery provisions of the Securities Act, if:

- you are not our affiliate within the meaning of Rule 405 of the Securities Act;
- you are not participating, and you have no arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of the Exchange Notes in violation of the provisions of the Securities Act;
- if you are a broker dealer, you have not entered into any arrangement or understanding with us or any of our affiliates to distribute the Exchange Notes; and
- you are acquiring the Exchange Notes in the ordinary course of your business.

If you are our affiliate, or are engaging in, or intend to engage in, or have any arrangement or understanding with any person to participate in, a distribution of the Exchange Notes, or are not acquiring the Exchange Notes in the ordinary course of your business:

- You cannot rely on the position of the SEC set forth in *Morgan Stanley & Co. Incorporated* (available June 5, 1991) and *Exxon Capital Holdings Corporation* (available May 13, 1988), as interpreted in the SEC’s letter to Shearman & Sterling, dated July 2, 1993, and similar no-action letters; and

- in the absence of an exception from the position stated immediately above, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any secondary resale transaction of the Exchange Notes, in which case the registration statement must contain the selling security holder information required by Item 507 or Item 508, as applicable, of Regulation S-K of the SEC.

This prospectus may be used for an offer to resell, resale or other transfer of Exchange Notes only as specifically set forth in this prospectus. With regard to broker-dealers, only broker-dealers that acquired the outstanding Restricted Notes as a result of market-making activities or other trading activities may participate in the exchange offers. Each broker-dealer that receives Exchange Notes for its own account in exchange for outstanding Restricted Notes, where such outstanding Restricted Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of the Exchange Notes. Please read “Plan of Distribution” for more details regarding the transfer of Exchange Notes.

Procedures for Tendering Restricted Notes

If you wish to participate in the exchange offers, sign and date the letter of transmittal that was delivered with this prospectus in accordance with the instructions, and deliver the letter of transmittal, along with the Restricted Notes and any other required documentation, to the exchange agent. Alternatively, you can tender your outstanding Restricted Notes by following the procedures for book-entry transfer, as described in this prospectus. See “The Exchange Offers—Procedures for Tendering Restricted Notes.” By executing the letter of transmittal or by transmitting an agent’s message (as defined below) in lieu thereof, you will represent to us that, among other things:

- the Exchange Notes you receive will be acquired in the ordinary course of your business;
- you are not participating, and you have no arrangement with any person or entity to participate, in the distribution of the Exchange Notes;
- you are not an “affiliate” (as defined in Rule 405 under the Securities Act) of ours, or, if you are such an affiliate, you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;
- if you are a broker-dealer, you have not entered into any arrangement or understanding with us or any of our “affiliates” to distribute the Exchange Notes; and
- you are not acting on behalf of any person or entity that could not truthfully make these representations.

	<p>If the exchange offeree is a broker-dealer holding Restricted Notes acquired for its own account as a result of market-making activities or other trading activities, it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of Exchange Notes received in respect of such Restricted Notes pursuant to the exchange offers. See “Plan of Distribution.”</p>
Special Procedures for Beneficial Owners	<p>If you are a beneficial owner whose Restricted Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and wish to tender such Restricted Notes in the exchange offers, please contact the registered holder as soon as possible and instruct them to tender on your behalf and comply with our instructions set forth elsewhere in this prospectus. See “The Exchange Offers—Procedures for Tendering Restricted Notes.”</p>
Withdrawal of Tenders	<p>Except as otherwise provided in this prospectus, you may withdraw your tender of Restricted Notes at any time prior to the Expiration Date.</p>
Effect on Holders of Outstanding Restricted Notes	<p>As a result of the making of, and upon acceptance for exchange of all validly tendered outstanding Restricted Notes pursuant to the terms of, the exchange offers, the Company will have fulfilled its obligation to consummate exchange offers for the Restricted Notes under the Registration Rights Agreements. If you do not tender your Restricted Notes in the exchange offers, you will continue to be entitled to all the rights and limitations applicable to the outstanding Restricted Notes as set forth in the indentures governing the Restricted Notes, except the Company will not have any further obligation to you to provide for the exchange and registration of untendered outstanding Restricted Notes under the Registration Rights Agreements. As a result of the transfer restrictions and the availability of Exchange Notes, the market for the Restricted Notes is likely to be much less liquid after these exchange offers are completed.</p>
Consequences of Failure to Exchange	<p>All untendered outstanding Restricted Notes will continue to be subject to the restrictions on transfer set forth in the outstanding Restricted Notes and in the related indentures. In general, the outstanding Restricted Notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offers, the Company does not currently anticipate that it will register the outstanding Restricted Notes under the Securities Act.</p>
Material U.S. Federal Income Tax Consequences	<p>The exchange of Restricted Notes for Exchange Notes in the exchange offers will not constitute a taxable event for U.S. federal income tax purposes. See “Material U.S. Federal Income Tax Consequences.”</p>

Use of Proceeds	We will not receive any proceeds from the issuance of the Exchange Notes. See “Use of Proceeds.”
Exchange Agent and Information Agent	U.S. Bank National Association is serving as exchange agent and as information agent in connection with the exchange offers. For contact information, please see the inside of the back cover of this prospectus.

The Exchange Notes

The summary below describes the principal terms of the 2024 Exchange Notes and the 2025 Exchange Notes. The respective series of Exchange Notes are substantially identical in all material respects to the corresponding series of Restricted Notes, except that the Exchange Notes have been registered under the Securities Act and will not have any of the transfer restrictions, registration rights and additional interest provisions relating to the Restricted Notes. The respective series of Exchange Notes will evidence the same debt as the corresponding series of Restricted Notes and be entitled to the benefits of the same respective indentures. Certain of the terms and conditions described below are subject to important limitations and exceptions. The “Description of 2024 Exchange Notes” and “Description of 2025 Exchange Notes” sections of this prospectus contain more detailed descriptions of the terms and conditions of the respective series of Exchange Notes.

The 2024 Exchange Notes

Issuer	Valvoline Inc.
Securities Offered	\$375,000,000 aggregate principal amount of 5.500% Senior Notes due 2024, which have been registered under the Securities Act.
Maturity Date	July 15, 2024.
Interest Rate	5.500% per annum, payable semiannually in arrears on January 15 and July 15, beginning January 15, 2017.
Subsidiary Guarantees	<p>Each of Valvoline’s subsidiaries that guarantees Valvoline’s obligations under the Credit Facility will guarantee the 2024 Exchange Notes on an unsubordinated unsecured basis (each such guarantee, a “2024 Subsidiary Guarantee”). The 2024 Subsidiary Guarantees may be released without the consent of holders of the 2024 Exchange Notes in certain circumstances. These subsidiaries also guarantee the 2025 Exchange Notes.</p> <p>See “Description of 2024 Exchange Notes—Guarantees.”</p>
Ranking	<p>The 2024 Exchange Notes will be Valvoline’s unsubordinated unsecured obligations, and will:</p> <ul style="list-style-type: none">• rank equally in right of payment with all of Valvoline’s existing and future unsubordinated unsecured indebtedness, liabilities and other obligations, including the 2025 Exchange Notes;• rank senior in right of payment to all of Valvoline’s future subordinated indebtedness;• be effectively subordinated in right of payment to all of Valvoline’s existing and future secured indebtedness (including Valvoline’s obligations under the Credit Facility), to the extent of the value of the assets securing such indebtedness; and• be structurally subordinated in right of payment to all existing and future indebtedness, liabilities and other obligations of Valvoline’s subsidiaries that do not guarantee the 2024 Exchange Notes.

Each 2024 Subsidiary Guarantee will:

- rank equally in right of payment with all of the applicable Subsidiary Guarantor’s existing and future unsubordinated unsecured indebtedness, liabilities and other obligations, including its guarantee of the 2025 Exchange Notes;
- rank senior in right of payment to all of such Subsidiary Guarantor’s future subordinated indebtedness;
- be effectively subordinated in right of payment to all of such Subsidiary Guarantor’s existing and future secured indebtedness (including its guarantee of Valvoline’s obligations under the Credit Facility), to the extent of the value of the assets securing such indebtedness; and
- be structurally subordinated in right of payment to all existing and future indebtedness, liabilities and other obligations of such Subsidiary Guarantor’s subsidiaries that do not guarantee the 2024 Exchange Notes.

Optional Redemption

At any time prior to July 15, 2019, Valvoline may redeem the 2024 Exchange Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of such notes redeemed plus the applicable “make-whole” premium as of, and accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the rights of holders of the 2024 Exchange Notes on the relevant record date to receive interest due on the relevant payment date.

On or after July 15, 2019, Valvoline may redeem the 2024 Exchange Notes, in whole or in part, at the redemption prices set forth in this prospectus, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the rights of holders of 2024 Exchange Notes on the relevant record date to receive interest due on the relevant payment date.

Additionally, until July 15, 2019, Valvoline may redeem up to 40.0% of the original amount of the 2024 Exchange Notes at any time and from time to time with the net cash proceeds of one or more Equity Offerings (as defined in “Description of 2024 Exchange Notes—Certain Definitions”) at a price equal to 105.500% of the principal amount of the 2024 Exchange Notes, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the rights of holders of 2024 Exchange Notes on the relevant record date to receive interest due on the relevant payment date.

See “Description of 2024 Exchange Notes—Optional Redemption.”

Change of Control Repurchase Event

Upon a Change of Control (as defined in “Description of 2024 Exchange Notes—Certain Definitions”), unless we have exercised our right to optionally redeem the 2024 Exchange Notes, each holder of 2024 Exchange Notes will have the right to require us to purchase all or a portion of such holder’s 2024 Exchange Notes at a purchase price

equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of purchase, subject to the rights of holders of 2024 Exchange Notes on the relevant record date to receive interest due on the relevant payment date.

Certain Covenants

The indenture governing the 2024 Exchange Notes will, among other things, limit the ability of Valvoline and the Restricted Subsidiaries (as defined in “Description of 2024 Exchange Notes—Certain Definitions”) to:

- incur, assume or guarantee additional indebtedness;
- issue redeemable stock and preferred stock;
- create liens;
- repurchase common stock;
- redeem indebtedness that is junior in right of payment to the 2024 Exchange Notes;
- make other restricted payments, including, without limitation, paying dividends and making restricted investments;
- sell or otherwise dispose of assets, including common stock of subsidiaries;
- enter into agreements that restrict dividends from Restricted Subsidiaries that do not guarantee the 2024 Exchange Notes;
- enter into transactions with affiliates; and
- enter into mergers or consolidations.

These covenants will be subject to a number of important qualifications and limitations. See “Description of 2024 Exchange Notes.”

No Public Market

There is currently no established public trading market for the 2024 Exchange Notes. See “Risk Factors—Risks Related to the Exchange Notes—An active trading market may not develop for the Exchange Notes.” Your ability to transfer the 2024 Exchange Notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the 2024 Exchange Notes.

Trustee

U.S. Bank National Association.

Form and Denominations

The 2024 Exchange Notes will be book-entry only and registered in the name of a nominee of DTC. Investors who are participants in DTC may hold their interests directly through DTC. Investors who are not participants in DTC may hold their interests indirectly through organizations (including Clearstream Banking, S.A. and Euroclear Bank S.A./N.V.) that are participants. The 2024 Exchange Notes will

	<p>be issued in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. See “Description of 2024 Exchange Notes—Principal, Maturity and Interest.”</p>
Risk Factors	<p>Investing in the 2024 Exchange Notes involves substantial risk. See “Risk Factors” for a description of some of the risks you should consider before investing in the 2024 Exchange Notes.</p>
Governing Law	<p>The 2024 Exchange Notes and the indenture governing the 2024 Exchange Notes will be governed by, and construed in accordance with, the laws of the State of New York.</p>
	<p style="text-align: center;"><i>The 2025 Exchange Notes</i></p>
Issuer	<p>Valvoline Inc.</p>
Securities Offered	<p>\$400,000,000 aggregate principal amount of 4.375% Senior Notes due 2025, which have been registered under the Securities Act.</p>
Maturity Date	<p>August 15, 2025.</p>
Interest Rate	<p>4.375% per annum, payable semiannually in arrears on February 15 and August 15, beginning February 15, 2018.</p>
Subsidiary Guarantees	<p>Each of Valvoline’s subsidiaries that guarantees Valvoline’s obligations under the Credit Facility will guarantee the 2025 Exchange Notes on an unsubordinated unsecured basis (each such guarantee, a “2025 Subsidiary Guarantee” and together with the 2024 Subsidiary Guarantees, the “Subsidiary Guarantees”). The 2025 Subsidiary Guarantees may be released without the consent of holders of the 2025 Exchange Notes in certain circumstances. These subsidiaries also guarantee the 2024 Exchange Notes.</p> <p>See “Description of 2025 Exchange Notes—Guarantees.”</p>
Ranking	<p>The 2025 Exchange Notes will be Valvoline’s unsubordinated unsecured obligations, and will:</p> <ul style="list-style-type: none">• rank equally in right of payment with all of Valvoline’s existing and future unsubordinated unsecured indebtedness, liabilities and other obligations, including the 2024 Exchange Notes;• rank senior in right of payment to all of Valvoline’s future subordinated indebtedness;• be effectively subordinated in right of payment to all of Valvoline’s existing and future secured indebtedness (including Valvoline’s obligations under the Credit Facility), to the extent of the value of the assets securing such indebtedness; and• be structurally subordinated in right of payment to all existing and future indebtedness, liabilities and other obligations of Valvoline’s subsidiaries that do not guarantee the 2025 Exchange Notes.

Each 2025 Subsidiary Guarantee will:

- rank equally in right of payment with all of the applicable Subsidiary Guarantor’s existing and future unsubordinated unsecured indebtedness, liabilities and other obligations, including its guarantee of the 2024 Exchange Notes;
- rank senior in right of payment to all of such Subsidiary Guarantor’s future subordinated indebtedness;
- be effectively subordinated in right of payment to all of such Subsidiary Guarantor’s existing and future secured indebtedness (including its guarantee of Valvoline’s obligations under the Credit Facility), to the extent of the value of the assets securing such indebtedness; and
- be structurally subordinated in right of payment to all existing and future indebtedness, liabilities and other obligations of such Subsidiary Guarantor’s subsidiaries that do not guarantee the 2025 Exchange Notes.

Optional Redemption

At any time prior to August 15, 2020, Valvoline may redeem the 2025 Exchange Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of such notes redeemed plus the applicable “make-whole” premium as of, and accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the rights of holders of 2025 Exchange Notes on the relevant record date to receive interest due on the relevant payment date.

On or after August 15, 2020, Valvoline may redeem the 2025 Exchange Notes, in whole or in part, at the redemption prices set forth in this prospectus, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the rights of holders of 2025 Exchange Notes on the relevant record date to receive interest due on the relevant payment date.

Additionally, until August 15, 2020, Valvoline may redeem up to 40.0% of the original amount of the 2025 Exchange Notes at any time and from time to time with the net cash proceeds of one or more Equity Offerings (as defined in “Description of 2025 Exchange Notes—Certain Definitions”) at a price equal to 104.375% of the principal amount of the 2025 Exchange Notes, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the rights of holders of 2025 Exchange Notes on the relevant record date to receive interest due on the relevant payment date.

See “Description of 2025 Exchange Notes—Optional Redemption.”

Change of Control Repurchase Event

Upon a Change of Control (as defined in “Description of 2025 Exchange Notes—Certain Definitions”), unless we have exercised our right to optionally redeem the 2025 Exchange Notes, each holder of

2025 Exchange Notes will have the right to require us to purchase all or a portion of such holder's 2025 Exchange Notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of purchase, subject to the rights of holders of 2025 Exchange Notes on the relevant record date to receive interest due on the relevant payment date.

Certain Covenants

The indenture governing the 2025 Exchange Notes will, among other things, limit the ability of Valvoline and the Restricted Subsidiaries (as defined in "Description of 2025 Exchange Notes—Certain Definitions") to:

- incur, assume or guarantee additional indebtedness;
- issue redeemable stock and preferred stock;
- create liens;
- repurchase common stock;
- redeem indebtedness that is junior in right of payment to the 2025 Exchange Notes;
- make other restricted payments, including, without limitation, paying dividends and making restricted investments;
- sell or otherwise dispose of assets, including common stock of subsidiaries;
- enter into agreements that restrict dividends from Restricted Subsidiaries that do not guarantee the 2025 Exchange Notes;
- enter into transactions with affiliates; and
- enter into mergers or consolidations.

These covenants will be subject to a number of important qualifications and limitations. See "Description of 2025 Exchange Notes."

No Public Market

There is currently no established public trading market for the 2025 Exchange Notes. See "Risk Factors—Risks Related to the Exchange Notes—An active trading market may not develop for the Exchange Notes." Your ability to transfer the 2025 Exchange Notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the 2025 Exchange Notes.

Trustee

U.S. Bank National Association.

Form and Denominations

The 2025 Exchange Notes will be book-entry only and registered in the name of a nominee of DTC. Investors who are participants in DTC may hold their interests directly through DTC. Investors who are not participants in DTC may hold their interests indirectly through organizations (including Clearstream Banking, S.A. and Euroclear

Risk Factors	Bank S.A./N.V.) that are participants. The 2025 Exchange Notes will be issued in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. See “Description of 2025 Exchange Notes—Principal, Maturity and Interest.”
Governing Law	Investing in the 2025 Exchange Notes involves substantial risk. See “Risk Factors” for a description of some of the risks you should consider before investing in the 2025 Exchange Notes.
	The 2025 Exchange Notes and the indenture governing the 2025 Exchange Notes will be governed by, and construed in accordance with, the laws of the State of New York.

RISK FACTORS

Any investment in the Exchange Notes involves a high degree of risk. You should carefully consider the risks described below as well as the matters discussed under “Risk Factors” in our Annual Report on Form 10-K for the year ended September 30, 2017, and in other documents that we subsequently file with the SEC that are incorporated by reference into this prospectus. Other risks and uncertainties not presently known to us or that we currently deem immaterial may also materially adversely affect us. If any of such risks actually occur, you may lose all or part of your investment. The risks discussed below also include forward-looking statements and our actual results may differ substantially from those discussed in these forward-looking statements. See “Cautionary Statement Regarding Forward-Looking Statements.”

Risks Related to the Exchange Notes

Despite Valvoline’s significant level of indebtedness, it may be able to incur substantially more debt and enter into other transactions which could further exacerbate the risks to its financial condition.

Notwithstanding Valvoline’s significant level of indebtedness, it may be able to incur significant additional indebtedness in the future, including secured indebtedness that will be effectively senior to the Exchange Notes. Although the Credit Facility and the indentures governing the Exchange Notes will contain restrictions on Valvoline’s ability to incur additional indebtedness and to enter into certain types of other transactions, these restrictions are subject to a number of significant qualifications and exceptions. See “Description of 2024 Exchange Notes—Certain Covenants” and “Description of 2025 Exchange Notes—Certain Covenants.” Additional indebtedness incurred in compliance with these restrictions, including secured indebtedness, could be substantial. These restrictions also do not prevent Valvoline from incurring obligations, such as trade payables, that do not constitute indebtedness as defined under its debt instruments. To the extent such new debt is added to Valvoline’s current indebtedness, the substantial leverage risks described in the immediately preceding risk factor would increase.

Valvoline may need additional capital in the future and may not be able to obtain it on favorable terms.

Valvoline may require additional capital in the future to finance its growth and development, implement further marketing and sales activities, fund ongoing research and development activities and meet general working capital needs. Valvoline’s capital requirements will depend on many factors, including acceptance of and demand for its products, the extent to which it invests in new technology and research and development projects, and the status and timing of these developments, as well as general availability of capital from debt and/or equity markets.

However, debt or equity financing may not be available to Valvoline on terms it finds acceptable, if at all. If Valvoline is unable to raise additional capital when needed, its financial condition, and thus your investment in the Exchange Notes, could be materially and adversely affected.

Additionally, Valvoline’s failure to maintain the credit ratings on its debt securities, including the Exchange Notes, could negatively affect its ability to access capital and could increase its interest expense on certain existing and future indebtedness. Valvoline expects the credit rating agencies to periodically review its capital structure and the quality and stability of its earnings. Deterioration in Valvoline’s capital structure or the quality and stability of its earnings could result in a downgrade of the credit ratings on Valvoline’s debt securities. Any negative ratings actions could constrain the capital available to Valvoline and could limit its access to funding for its operations and/or increase the cost of such capital. If, as a result, Valvoline’s ability to access capital when needed becomes constrained, its interest costs could increase, which could have a material adverse effect on its results of operations, financial condition and cash flows.

Valvoline may be unable to service its indebtedness, including the Exchange Notes.

Valvoline's ability to make scheduled payments on and to refinance its indebtedness, including the Exchange Notes, depends on and is subject to its financial and operating performance, which in turn is affected by general and regional economic, financial, competitive, business and other factors (many of which are beyond Valvoline's control), including the availability of financing in the banking and capital markets. Valvoline cannot assure you that its business will generate sufficient cash flow from operations or that future borrowings will be available to it in an amount sufficient to enable it to service its debt, including the Exchange Notes, to refinance its debt or to fund its other liquidity needs.

If Valvoline is unable to meet its debt service obligations or to fund its other liquidity needs, it will need to restructure or refinance all or a portion of its debt, including the Exchange Notes, which could cause it to default on its debt obligations and would impair its liquidity. Valvoline's ability to restructure or refinance its debt will depend on the condition of the capital markets and its financial condition at such time. Any refinancing of Valvoline's indebtedness could be at higher interest rates and may require it to comply with more onerous covenants that could further restrict its business operations.

Moreover, in the event of a default of Valvoline's debt service obligations, the holders of the applicable indebtedness, including the Exchange Notes and the Credit Facility, could elect to declare all the funds borrowed to be due and payable, together with accrued and unpaid interest. Valvoline cannot assure you that its assets or cash flows would be sufficient to fully repay borrowings under its outstanding debt instruments if accelerated upon an event of default. First, a default in Valvoline's debt service obligations in respect of the Exchange Notes would result in a cross default under the Credit Facility. The foregoing would permit the lenders under the senior secured revolving credit facility to terminate their commitments thereunder and cease making further loans, and would allow the lenders under the senior secured term loan facility to declare all loans immediately due and payable and to institute foreclosure proceedings against their collateral, which could force Valvoline into bankruptcy or liquidation. Second, any event of default or declaration of acceleration under the Credit Facility or any other agreements relating to Valvoline's outstanding indebtedness could also result in an event of default under the indentures governing the Exchange Notes, and any event of default or declaration of acceleration under any other of Valvoline's outstanding indebtedness may also contain a cross-default provision. Any such default, event of default or declaration of acceleration could materially and adversely affect Valvoline's results of operation and financial condition.

The agreements governing Valvoline's indebtedness will restrict its current and future operations, particularly its ability to respond to changes or to take certain actions.

The agreements governing Valvoline's indebtedness, including the Exchange Notes, contain, and the agreements governing future indebtedness and future debt securities may contain, significant restrictive covenants and, in the case of the Credit Facility, financial maintenance covenants that will limit Valvoline's operations, including its ability to engage in activities that may be in its long-term best interests. These restrictive covenants may limit Valvoline, and its restricted subsidiaries, from taking, or give rights to the holders of its indebtedness in the event of, the following actions:

- incurring additional indebtedness and guaranteeing indebtedness;
- paying dividends or making other distributions in respect of, or repurchasing or redeeming, Valvoline's capital stock;
- making acquisitions or other investments;
- prepaying, redeeming or repurchasing certain indebtedness;
- selling or otherwise disposing of assets;
- selling stock of Valvoline's subsidiaries;

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- incurring liens;
- entering into transactions with affiliates;
- entering into agreements restricting certain of Valvoline's subsidiaries' ability to pay dividends;
- entering into transactions that result in a Change of Control; and
- consolidating, merging or selling all or substantially all of Valvoline's assets.

Valvoline's failure to comply with those covenants could result in an event of default that, if not cured or waived, could result in the acceleration of some or all of its indebtedness, which could lead Valvoline to bankruptcy, reorganization or insolvency.

If the Exchange Notes are rated investment grade at any time by Moody's and Standard & Poor's, most of the restrictive covenants and corresponding events of default contained in the indentures governing the Exchange Notes will be suspended.

If, at any time, the credit rating on the Exchange Notes, as determined by Moody's Investors Service and Standard & Poor's Ratings Services, equals or exceeds Baa3, or BBB-, respectively, or any equivalent replacement ratings, Valvoline will no longer be subject to most of the restrictive covenants and corresponding events of default contained in the indentures governing the Exchange Notes. Any restrictive covenants or corresponding events of default that cease to apply to Valvoline as a result of achieving these ratings will be restored if one or both of the credit ratings on the Exchange Notes later falls below these thresholds. However, during any period in which these restrictive covenants are suspended, Valvoline may incur other indebtedness, make restricted payments and take other actions that would have been prohibited if these covenants had been in effect. If the restrictive covenants are later restored, any action taken while the covenants were suspended will not result in an event of default under the indentures governing the Exchange Notes even if it would constitute an event of default at the time the covenants are restored. Accordingly, if these covenants and corresponding events of default are suspended, you will have less credit protection than you will at the time the Exchange Notes are issued.

The Exchange Notes are unsecured and effectively junior to Valvoline's secured indebtedness, including borrowings under the Credit Facility, to the extent of the value of the collateral securing such secured indebtedness.

Valvoline's obligations under the Exchange Notes will be unsecured and will be effectively junior to Valvoline's secured indebtedness to the extent of the collateral value securing such indebtedness. Each Subsidiary Guarantor's obligations under its Subsidiary Guarantee also will be unsecured and will be effectively junior to its secured indebtedness to the extent of the value of the collateral of such Subsidiary Guarantor securing its guarantee of such indebtedness. In addition, the Subsidiary Guarantees may be released without the consent of holders of the Exchange Notes in certain circumstances. Borrowings under the Credit Facility will be secured by substantially all of the present and after-acquired assets of Valvoline and any existing and future guarantors of the Credit Facility, including all of the capital stock directly held by Valvoline or any guarantor of the Credit Facility in any wholly owned subsidiary, subject to customary limitations on the pledge of voting capital stock of foreign subsidiaries or foreign subsidiary holding companies and other customary exceptions.

If an event of default occurs under the Credit Facility, the holders of such senior secured indebtedness will have a prior right to Valvoline's assets (including the assets of any Subsidiary Guarantor that secures such senior indebtedness), to the exclusion of the holders of the Exchange Notes, even if Valvoline is in default with respect to the Exchange Notes. In that event, Valvoline's assets would first be used to repay in full all indebtedness and other obligations secured by them (including all amounts outstanding under the Credit Facility), resulting in all or a portion of Valvoline's assets being unavailable to satisfy the claims of the holders of the Exchange Notes and other unsecured indebtedness. Therefore, in the event of any distribution or payment of Valvoline's assets in any

foreclosure, dissolution, winding-up, liquidation, reorganization, or other bankruptcy proceeding, holders of the Exchange Notes will participate in Valvoline's remaining assets ratably with each other and with all holders of Valvoline's unsecured indebtedness that is deemed to be of the same class as such Notes, and potentially with all of Valvoline's other general creditors, based upon the respective amounts owed to each holder or creditor. In any of the foregoing events, Valvoline cannot assure you that there will be sufficient assets to pay amounts due on the Exchange Notes. As a result, holders of such Notes may receive less, ratably, than holders of secured indebtedness.

The Exchange Notes and the related guarantees will rank effectively junior to such outstanding indebtedness to the extent of the value of the collateral securing such outstanding indebtedness. In addition to the unutilized capacity under the senior secured revolving credit facility, the Credit Facility permits Valvoline to incur incremental indebtedness, which may be secured, subject to certain limits and conditions. The obligations under the Exchange Notes will be effectively junior to any additional secured indebtedness Valvoline may incur to the extent of the value of the collateral securing such indebtedness. The indentures governing the Exchange Notes will also permit Valvoline to incur additional secured indebtedness, which could be substantial.

Claims of holders of the Exchange Notes will be structurally subordinated to claims of creditors of certain of Valvoline's subsidiaries that will not guarantee the Exchange Notes.

The Exchange Notes will not be guaranteed by certain of Valvoline's existing or future subsidiaries. The Exchange Notes will only be guaranteed, jointly and severally, on an unsubordinated unsecured basis by each of Valvoline's existing and future subsidiaries that guarantees any indebtedness under Valvoline's Credit Facility. Claims of holders of the Exchange Notes will be structurally subordinated to the claims of creditors of non-guarantor subsidiaries, including trade creditors, and will not be satisfied from the assets of non-guarantor subsidiaries until their creditors are paid in full. The guarantee of a Subsidiary Guarantor will be released in connection with a transfer of such guarantor in a transaction not prohibited by the indentures governing the Exchange Notes or upon certain other events described in "Description of 2024 Exchange Notes—Guarantees" and "Description of 2025 Exchange Notes—Guarantees."

Federal and state statutes may allow courts, under specific circumstances, to void the Exchange Notes and the Subsidiary Guarantees, subordinate claims in respect of the Exchange Notes and the Subsidiary Guarantees and/or require holders of the Exchange Notes to return payments received from Valvoline.

The incurrence of indebtedness evidenced by the Exchange Notes and the making of the transfer are subject to review under relevant state and federal fraudulent conveyance statutes in a bankruptcy or reorganization case or a lawsuit by or on behalf of Valvoline's creditors. Under these statutes, the Exchange Notes and the Subsidiary Guarantees could be voided, or claims in respect of the Exchange Notes and the Subsidiary Guarantees could be subordinated to all of Valvoline's other debt if a court were to find at the time the Exchange Notes were issued that Valvoline:

- were insolvent or rendered insolvent by reason of such indebtedness;
- were engaged in, or about to engage in, a business or transaction for which Valvoline's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to repay such debts as they mature.

A court might also void the issuance of the Exchange Notes or Subsidiary Guarantees, without regard to the above factors, if the court found that Valvoline issued the Exchange Notes or the Subsidiary Guarantors entered into the applicable guaranty with actual intent to hinder, delay or defraud its or their respective creditors.

If a court were to void the issuance of the Exchange Notes or the Subsidiary Guarantees, you would no longer have a claim against Valvoline or the Subsidiary Guarantors. Sufficient funds to repay the Exchange

Notes may not be available from other sources, including the remaining Subsidiary Guarantors, if any. In addition, the court might direct you to repay any amounts that you already received from Valvoline or the Subsidiary Guarantors or, with respect to the Exchange Notes, any Subsidiary Guarantee.

In addition, any payment by Valvoline pursuant to the Exchange Notes made at a time when Valvoline were subsequently found to be insolvent could be voided and required to be returned to it or to a fund for the benefit of its creditors if such payment is made to an insider within a one-year period prior to a bankruptcy filing or within 90 days for any outside party and such payment would give the holders of the Exchange Notes more than such holders would have received in a liquidation under Title 11 of the United States Code, as amended (the “Bankruptcy Code”).

The measures of insolvency for purposes of these fraudulent and preferential transfer laws will vary depending upon the law applied in any proceeding. Generally, however, Valvoline would be considered insolvent if:

- the sum of its debts, including contingent liabilities, were greater than the fair saleable value of all its assets;
- the present fair saleable value of its assets were less than the amount that would be required to pay its probable liability on existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

As a court of equity, the bankruptcy court may subordinate the claims in respect of the Exchange Notes to other claims against Valvoline under the principle of equitable subordination, if the court determines that: (i) the holders of the Exchange Notes engaged in some type of inequitable conduct; (ii) such inequitable conduct resulted in injury to Valvoline’s other creditors or conferred an unfair advantage upon the holder of the Exchange Notes; and (iii) equitable subordination is not inconsistent with the provisions of the Bankruptcy Code.

Valvoline may not be able to finance a change of control offer required by the indentures governing the Exchange Notes.

Upon a Change of Control, you will have the right to require Valvoline to offer to purchase all of the Exchange Notes then outstanding at a price equal to 101% of the principal amount of such Exchange Notes, plus accrued interest, if any, to but not including the repurchase date. In order to obtain sufficient funds to pay the purchase price of the outstanding Exchange Notes, Valvoline expects that it would have to refinance the Exchange Notes. Valvoline cannot assure you that it would be able to refinance the Exchange Notes on reasonable terms, if at all. Valvoline’s failure to offer to purchase all outstanding Exchange Notes or to purchase all validly tendered Notes would be an event of default under the indentures governing the Exchange Notes. Such an event of default may cause the acceleration of Valvoline’s other debt, including debt under the Credit Facility. Valvoline’s future debt also may contain restrictions on repayment requirements with respect to specified events or transactions that constitute a Change of Control under the indentures governing the Exchange Notes.

The Credit Facility provides, and future credit agreements or other agreements relating to indebtedness to which Valvoline becomes a party may provide, that certain change of control events with respect to Valvoline would constitute a default thereunder (including events that would constitute a Change of Control under the indentures governing the Exchange Notes). If Valvoline experiences a change of control event that triggers a default or prepayment provision under the Credit Facility or any such future indebtedness, it could seek a waiver of such default or prepayment provision or seek to refinance the Credit Facility or such future indebtedness. In the event Valvoline does not obtain such a waiver and does not refinance the Credit Facility or such future indebtedness, such default could result in amounts outstanding under the Credit Facility or such future indebtedness being declared due and payable or lending commitments being terminated.

Valvoline can enter into transactions like recapitalizations, reorganizations and other highly leveraged transactions that do not constitute a Change of Control but that could adversely affect the holders of the Exchange Notes.

Certain important corporate events, such as leveraged recapitalizations, may not, under the indentures governing the Exchange Notes, constitute a “Change of Control” that would require Valvoline to repurchase the Exchange Notes, notwithstanding the fact that such corporate events could increase the level of its indebtedness or otherwise adversely affect its capital structure, credit ratings or the value of the Exchange Notes. Therefore, Valvoline could, in the future, enter into certain transactions, including acquisitions, reorganizations, refinancings or other recapitalizations, which would not constitute a Change of Control, but that could increase the amount of indebtedness outstanding at such time or otherwise affect its capital structure or credit ratings.

Holders of Exchange Notes may not be able to determine when a Change of Control giving rise to their right to have the Exchange Notes repurchased has occurred following a sale of “substantially all” of Valvoline’s assets.

The definition of Change of Control in the indentures that will govern the Exchange Notes includes a phrase relating to the sale of “all or substantially all” of Valvoline’s assets. There is no precise established definition of the phrase “substantially all” under applicable law. Accordingly, the ability of a holder of Exchange Notes to require Valvoline to repurchase its Exchange Notes as a result of a sale of less than all of Valvoline’s assets to another person may be uncertain. See “Description of 2024 Exchange Notes—Repurchase at the Option of Holders—Change of Control” and “Description of 2025 Exchange Notes—Repurchase at the Option of Holders—Change of Control.”

An active trading market may not develop for the Exchange Notes.

Valvoline cannot assure you that an active trading market will develop for the Exchange Notes. Valvoline does not intend to apply for listing of the Exchange Notes on any securities exchange or on any automated dealer quotation system.

The liquidity of, and trading market for, the Exchange Notes may also be adversely affected by, among other things:

- changes in the overall market for securities similar to the Exchange Notes;
- changes in Valvoline’s financial performance or prospects;
- the prospects for companies in Valvoline’s industry generally;
- the number of holders of the Exchange Notes;
- the interest of securities dealers in making a market for the Exchange Notes;
- the conditions of the financial markets;
- fluctuations in the relative trading value of the currency in which the Exchange Notes are issued; and
- prevailing interest rates.

The condition of the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future, which could have an adverse effect on the market prices of the Exchange Notes.

Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities that are similar to the Exchange Notes. Valvoline cannot assure you that the market, if any, for any of the Exchange Notes will be free from similar disruptions or that any such disruptions may not adversely affect the prices at which you may sell your Exchange Notes. In addition,

subsequent to their initial issuance, the Exchange Notes may trade at a discount from the initial offering price of the Restricted Notes, depending upon prevailing interest rates, the market for similar Exchange Notes, Valvoline's performance and other factors.

A lowering or withdrawal of the ratings assigned to Valvoline's debt securities by rating agencies may adversely affect the market price or liquidity of the Exchange Notes.

Valvoline expects that the Exchange Notes will be rated by one or more nationally recognized statistical ratings organizations. Valvoline cannot assure you that any such rating will remain for any given period of time or that such rating will not be lowered or withdrawn entirely by a rating agency if, in that rating agency's judgment, future circumstances relating to the basis of the rating, such as adverse changes, so warrant. Credit ratings are not recommendations to purchase, hold or sell the Exchange Notes, and may be revised or withdrawn at any time. Additionally, credit ratings may not reflect the potential effect of risks relating to the structure or marketing of the Exchange Notes. If the credit rating of the Exchange Notes is subsequently lowered or withdrawn for any reason, you may not be able to resell your Notes without a substantial discount.

If you do not properly tender your Restricted Notes, your ability to transfer such outstanding Restricted Notes will be adversely affected and the trading market for such Restricted Notes may be limited.

Valvoline will only issue Exchange Notes in exchange for Restricted Notes that are timely received by the exchange agent, together with all required documents, including a properly completed and signed letter of transmittal or properly transferred via book entry in accordance with the procedures described in this prospectus. Therefore, you should allow sufficient time to ensure timely delivery of the Restricted Notes and you should carefully follow the instructions on how to tender your Restricted Notes. Neither Valvoline nor the exchange agent is required to tell you of any defects or irregularities with respect to your tender of Restricted Notes. If you do not tender your Restricted Notes or if your tender of Restricted Notes is not accepted because you did not tender your Restricted Notes properly, then, after consummation of the exchange offers, you will continue to hold Restricted Notes that are subject to the existing transfer restrictions. After the exchange offers are consummated, if you continue to hold any Restricted Notes, you may have difficulty selling them because there will be fewer Restricted Notes remaining and the market for such Restricted Notes, if any, will be much more limited than it is currently. In particular, the trading market for unexchanged Restricted Notes could become more limited than the existing trading market for the Restricted Notes and could cease to exist altogether due to the reduction in the amount of the Restricted Notes remaining upon consummation of the exchange offers. A more limited trading market might adversely affect the liquidity, market price and price volatility of such untendered Restricted Notes.

If you are a broker-dealer or participating in a distribution of the Exchange Notes, you may be required to deliver prospectuses and comply with other requirements.

If you tender your Restricted Notes for the purpose of participating in a distribution of the Exchange Notes, you will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the Exchange Notes. If you are a broker-dealer that receives Exchange Notes for your own account in exchange for Restricted Notes that you acquired as a result of market-making activities or any other trading activities, you will be required to acknowledge that you will deliver a prospectus in connection with any resale of such Exchange Notes.

USE OF PROCEEDS

We will not receive any proceeds from the issuance of the Exchange Notes. In consideration for issuing the Exchange Notes contemplated by this prospectus, we will receive Restricted Notes in a like principal amount. Any Restricted Notes that are properly tendered and exchanged pursuant to the exchange offers will be retired and cancelled and cannot be reissued.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges for the periods indicated.

Year ended September 30,				
2017	2016	2015	2014	2013
11.8	31.4	76.8	132.0	189.0

DIRECTORS AND CORPORATE GOVERNANCE

Board of Directors

The following table sets forth the names, ages as of October 31, 2017, and positions of the individuals who currently constitute our board of directors.

<u>Name</u>	<u>Age</u>	<u>Position(s)</u>
Stephen F. Kirk	68	Non-Executive Chairman and Director
Richard J. Freeland	60	Director
Stephen E. Macadam	57	Director
Vada O. Manager	56	Director
Samuel J. Mitchell, Jr.	56	Director and Chief Executive Officer
Charles M. Sonsteby	64	Director
Mary J. Twinem	57	Director
William A. Wulfsohn	55	Director

Stephen F. Kirk—Mr. Kirk has served as Chairman of our Board of Directors (the “Board”) since October 2017 and has served as a Director since September 2016. Mr. Kirk served as Senior Vice President and Chief Operating Officer of The Lubrizol Corporation, a specialty chemicals company, from September 2008 until his retirement in December 2011. From June 2004 to September 2008, he served as President of Lubrizol Additives. Prior to that, Mr. Kirk served as Vice President of Sales and Marketing of Lubrizol from June 1999 to June 2004. Mr. Kirk served as director of Ashland Global Holdings Inc. from November 2013 until January 2017, where he served on the Audit and Environmental, Health, Safety and Quality Committees. Within the past five years, Mr. Kirk also served on the board of directors of Robbins & Myers, Inc. Mr. Kirk serves as Executive in Residence at the Monte Ahuja College of Business at Cleveland State University. He is also a member of the Cleveland State University Board of Trustees where he serves chair of the Academic Affair Committee. Mr. Kirk is Vice-Chair of the Vocational Guidance Service Board and serves on the Boy Scouts of America-Western Reserve Council Advisory Board. Mr. Kirk holds a Bachelor’s degree and Master’s degree in chemical engineering from Cornell University and a Master’s in Business Administration from Cleveland State University. As the former Senior Vice President and Chief Operating Officer of The Lubrizol Corporation, Mr. Kirk’s experience and knowledge in the areas of operations and corporate leadership provide him with the qualifications and skills to serve as a Director on our Board. He also brings significant experience gained from service on the board of directors of other companies.

Richard J. Freeland—Mr. Freeland has served as a Director of Valvoline since September 2016. Mr. Freeland is also President and Chief Operating Officer of Cummins Inc., a diesel engine and components manufacturer, since July 2014. Prior to that position, Mr. Freeland served as Vice President and President of the Engine Business of Cummins Inc. from 2010 until 2014 and served in various other roles since joining Cummins Inc. in 1979. Mr. Freeland holds a Bachelor of Science degree in industrial management from the Krannert School of Management and a Master’s in Business Administration from Indiana University. As the President and Chief Operating Officer of Cummins Inc., Mr. Freeland’s experience and knowledge in the areas of product development, manufacturing, marketing and sales provide him with the qualifications and skills to serve as a Director on our Board. He also brings significant experience gained from service on the board of directors of Sauer-Danfoss.

Stephen E. Macadam—Mr. Macadam has served as a Director of Valvoline since September 2016. Mr. Macadam is also President and Chief Executive Officer of EnPro Industries, Inc., a manufacturing company, since April 2008. Prior to joining EnPro Industries, Inc. he was Chief Executive Officer of BlueLinx Inc., a building products wholesaler from October 2005 to March 2008. Mr. Macadam served as a director of Axiall Corporation from 2010 to 2014. Mr. Macadam also served as a director of BlueLinx Inc. from 2004 to 2008. Mr. Macadam holds a Bachelor of Science degree in mechanical engineering from the University of Kentucky, a

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Master's of Science in Finance from Boston College and a Master's in Business Administration from Harvard Business School. As the President and Chief Executive Officer of EnPro Industries, Inc., Mr. Macadam's experience and knowledge in the areas of corporate governance, industrial products manufacturing, product distribution and procurement provide him with the qualifications and skills to serve as a Director on our Board. He also brings significant experience gained from service on the board of directors of other companies.

Vada O. Manager—Mr. Manager has served as a Director of Valvoline since September 2016. Mr. Manager is also the President and Chief Executive Officer of Manager Global Consulting Group, a consulting firm, since 2009. Mr. Manager is a Senior Counselor of APCO Worldwide, a global public affairs and strategic communications consultancy, since 2010. Prior to that position, he was an independent global consultant advising companies regarding brand positioning, M&A and product sourcing—skills acquired while in senior roles at Nike and Levi Strauss. Mr. Manager served as the Senior Director of Global Issues Management for Nike, Inc. from 2006 until March 2009, and he held various management positions at Nike and Levi's between 1994 and 2009. Mr. Manager served as director of Ashland Global Holdings Inc. from 2008 until January 2017, where he chaired the Governance and Nominating Committee and served on the Audit and Personnel and Compensation Committees. Mr. Manager serves as the chair of the Executive Public Affairs Counsel at the U.S. Military Academy at West Point. He also serves on the board of directors of Helios Education Foundation; Arizona State University Center for Race and Democracy and the Mannie Jackson Center for the Humanities at Lewis & Clark Community College. Mr. Manager holds a Bachelor of Science degree in political science from Arizona State University and performed graduate work at the London School of Economics. As the President and Chief Executive Officer of Manager Global Consulting Group and as Senior Counselor of APCO Worldwide, Mr. Manager's experience and knowledge in the areas of product sourcing, M&A, strategic communications and global management consulting provide him with the qualifications and skills to serve as a Director on our Board. He also brings significant experience gained from service on the board of directors of Ashland Global Holdings Inc.

Samuel J. Mitchell, Jr.—Mr. Mitchell has served as a Director of Valvoline and Valvoline's Chief Executive Officer since May 2016 and September 2016, respectively. Prior to becoming Valvoline's Chief Executive Officer, Mr. Mitchell served as Senior Vice President of Ashland Inc. from July 2011 to September 2016 and President of Valvoline from January 2002 to September 2016. Mr. Mitchell serves on the Board of Trustees of Transylvania University and the University of Kentucky Gatton College of Business Dean's Advisory Council. He served on the Board of the Automotive Aftermarket Suppliers Association from 2006 to 2012. Mr. Mitchell holds a Bachelor's degree in business administration from Miami University and Master's in Business Administration from the University of Chicago. He's also a graduate from Harvard Business School's Advanced Management Program. As our Chief Executive Officer, Mr. Mitchell's significant experience and knowledge in the areas of finance, accounting, business operations, management, manufacturing, safety, risk oversight and corporate governance, as well as his experience in the lubricants industry, provide him with the qualifications and skills to serve as a Director on our Board.

Charles M. Sonstebly—Mr. Sonstebly has served as a Director of Valvoline since September 2016. Mr. Sonstebly served as Vice Chairman of The Michaels Companies, an arts and crafts retail chain, from March 2016 until his retirement in October 2017. From October 2010 to August 2016, he served as Chief Financial Officer and Chief Administrative Officer of The Michaels Companies. Prior to that position, Mr. Sonstebly served as Chief Financial Officer of Brinker International, a hospitality industry company, from 2001 until October 2010. Mr. Sonstebly is a director of Darden Restaurants, a restaurant operator, since September 2014, and as Chairman of its board of directors since March 2016. He previously served as director at Zale Corporation. Mr. Sonstebly is a member of the Dean's Advisory Committee at the University of Kentucky. He previously served on the board of directors of Child Care Group of Dallas and the Town North YMCA. Mr. Sonstebly holds a Bachelor of Science degree in accounting from the University of Kentucky. As the former Vice Chairman and former Chief Financial Officer and Chief Administrative Officer of The Michaels Companies, Mr. Sonstebly's experience and knowledge in the areas of retail operations, supply chain, international, finance, accounting, tax, treasury and

investor relations provide him with the qualifications and skills to serve as a Director on our Board. He also brings significant experience gained from service on the board of directors of Darden Restaurants.

Mary J. Twinem —Ms. Twinem has served as a Director of Valvoline since September 2016. Ms. Twinem served as Executive Vice President and Chief Financial Officer of Buffalo Wild Wings, Inc., a restaurant operations and franchising company, from July 1996 until her retirement in February 2016. Prior to that position, she served as Controller of Buffalo Wild Wings, Inc. in 1995. Ms. Twinem serves on the board of directors of Mendota Holdings, Inc., where she serves on the Audit Committee. Ms. Twinem is also a Director of Medica Holdings Company, where she chairs the Audit Committee. She previously served on the boards of Hospitality Minnesota Education Foundation and the Boys & Girls Club of the Twin Cities. Ms. Twinem holds a Bachelor of Science degree in accounting from the University of Wisconsin-Platteville and became a Certified Public Accountant. Ms. Twinem’s significant experience and knowledge in the areas of financial reporting, financial planning and analysis, investor relations and supply chain provide her with the qualifications and skills to serve as a Director on our Board.

William A. Wulfsohn —Mr. Wulfsohn has served as a Director of Valvoline since May 2016. Mr. Wulfsohn previously served as Non-Executive Chairman of Valvoline from September 2016 to September 2017. Mr. Wulfsohn has also served as Chairman and Chief Executive Officer of Ashland since January 2015. Prior to joining Ashland, Mr. Wulfsohn served as President and Chief Executive Officer of Carpenter Technology Corp., a manufacturer of stainless steel, titanium, and other specialty metals and engineered products, from July 2010 to December 2014. Mr. Wulfsohn also served as a director for Carpenter Technology Corp. from April 2009 to December 2014. As the Chairman and Chief Executive Officer of Ashland, Mr. Wulfsohn’s experience and knowledge in the areas of finance, accounting, business operations, management, manufacturing, safety, risk oversight and corporate governance provide him with the qualifications and skills to serve as a Director on our Board. He also brings significant experience gained from service on the board of directors of other companies.

Composition of the Board

Our business and affairs are managed under the direction of our Board. Our Corporate Governance Guidelines require that two-thirds of our directors be independent, as defined in our Director Independence Standards (published on our investor relations website at <http://investors.valvoline.com/governance>) (“Independence Standards”), which incorporate the requirements of SEC rules and NYSE listing standards. Within this framework, the Governance and Nominating (“G&N”) Committee is charged with determining and refreshing, as appropriate, the composition of our Board. The G&N Committee seeks to fill our Board with exceptionally talented and diverse directors, with expertise and leadership experience in the markets in which we operate.

Our directors are elected at each annual meeting of shareholders and hold office until the next annual meeting of shareholders and until each of their successors has been duly elected and qualified. The vote required for any election of directors, other than in a contested election of directors, is the affirmative vote of a majority of the votes cast with respect to a director nominee. In any contested election of directors, the persons receiving the greatest number of votes cast, up to the number of directors to be elected in such election, will be deemed elected. Our amended and restated by-laws provide that the authorized number of directors may only be changed by a resolution adopted by a majority of our Board; provided, however, that a shareholder vote will be required to increase or decrease the number of directors by more than 30% from the number of directors last fixed by the shareholders.

Our Corporate Governance Guidelines require that two-thirds of our directors be independent, as defined in the Independence Standards. The Independence Standards incorporate the requirements of SEC rules and NYSE listing standards, and were adopted by our Board to assist in its determination of director independence. Pursuant to these rules, our Board must make an affirmative determination that those members of the Board who serve as independent directors have no material relationship with our company (either directly or as a partner, shareholder

or officer of an organization that has a relationship with the company). Members of the Audit and Compensation Committees are also subject to heightened standards for independence under SEC rules and NYSE listing standards.

Our Board annually reviews director independence in accordance with these requirements. In making its independence determinations, the Board considered relationships and transactions between each director, on the one hand, and Valvoline, its subsidiaries and its affiliates, on the other hand, including the director's commercial, economic, charitable and familial relationships. As a result of this review, the Board affirmatively determined that Messrs. Freeland, Kirk, Macadam, Manager and Sonstebly and Ms. Twinem are each independent of Valvoline and its affiliates. Mr. Mitchell was determined not to be independent because he currently serves as Chief Executive Officer of the Company, and Mr. Wulfsohn was determined not to be independent because he serves as Chief Executive Officer of Ashland, Valvoline's controlling shareholder through May 12, 2017.

In determining the independence of Mr. Freeland, our Board considered transactions entered into in the ordinary course of business with Cummins Inc., a company in which Mr. Freeland serves as an executive officer. In Cummins' last fiscal year, Valvoline paid \$1.64 million to Cummins and Valvoline received \$36.59 million from Cummins, representing 0.01% and 0.2%, respectively, of Cummins' consolidated gross revenues of \$17.5 billion for such fiscal year. Similarly, the amount the Company paid to Cummins and the amount received by the Company from Cummins in each of the two preceding fiscal years did not exceed the greater of \$1 million or 2% of Cummins' consolidated gross revenues in such fiscal years. All transactions with Cummins were made at arms-length, included standard commercial terms, and Mr. Freeland did not personally benefit from any of such transactions. The Board concluded that Mr. Freeland was independent, because the transactions were not material to Cummins such that Mr. Freeland could be unduly influenced by, and thus not independent of, Valvoline management. The G&N Committee determined that the transactions with Cummins were not "Related Person Transactions" as defined in the Company's Related Person Transaction Policy.

In addition, the Board determined that Messrs. Manager and Sonstebly and Ms. Twinem each satisfy the heightened independence standards applicable to audit committee members, including those under Exchange Act Rule 10A-3. Similarly, the Board determined that Messrs. Freeland, Kirk, Macadam, Manager and Sonstebly and Ms. Twinem each satisfy the heightened independence standards applicable to compensation committee members as set forth in NYSE listing standards.

Leadership Structure

Our By-Laws provide the Board flexibility in determining the appropriate leadership structure for the Company. Currently, Mr. Mitchell serves as our Chief Executive Officer and Mr. Kirk serves as Chairman of the Board (Mr. Wulfsohn served in that role from the date of our IPO through fiscal 2017). With the Company's recent IPO and separation from Ashland, the Board believes that separating the roles of Chairman and Chief Executive Officer is in the best interest of the Company because it allows Mr. Mitchell to guide our newly public company and focus on operating and managing the day-to-day activities of our business, while Mr. Kirk can focus on Board leadership independent of management.

The Board will periodically review and reassess our Board leadership structure and determine whether it is in the Company's and our shareholders' best interest to continue the separate roles of Chairman and Chief Executive Officer. In the event that the Board combines the role of Chairman and Chief Executive Officer, our Corporate Governance Guidelines require the Board to appoint a lead independent director.

Committees of the Board

Our Board has established three standing committees: an Audit Committee, a Compensation Committee and a G&N Committee (each a "Committee" and, collectively, the "Committees") to assist in the performance of the Board's various functions. All committee members are appointed by our Board upon recommendation of the

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G&N Committee. Listed below are the members of each of the three standing committees. As discussed above in “—Composition of the Board,” our Board has determined that all of the members of these Committees are independent as defined by our Independence Standards, including, in the case of Audit and Compensation Committee members, the heightened standards for independence under SEC rules and NYSE listing standards.

Audit Committee		
Vada O. Manager	Charles M. Sonsteby *	Mary Twinem
Compensation Committee (1)		
Richard J. Freeland	Stephen F. Kirk	Stephen E. Macadam
Vada O. Manager	Charles M. Sonsteby	Mary J. Twinem *
Governance and Nominating Committee		
Richard J. Freeland	Stephen F. Kirk	Stephen E. Macadam
Vada O. Manager*	Charles M. Sonsteby	Mary J. Twinem

* Chair

(1) On November 14, 2017, Ms. Twinem became Chair of the Compensation Committee. Prior to such time, Mr. Kirk served as Chair of the Compensation Committee.

The responsibilities of each of our Committees are described below. Each of the Committees operates under a written charter; must meet at least four times a year, plus additional meetings as circumstances require; has authority to retain independent legal, accounting or other advisors; makes regular reports to the Board; and reviews its own performance annually. The charter of each Committee is available on our investor relations website at <http://investors.valvoline.com/governance>.

Audit Committee

The Board has established the Audit Committee in accordance with Section 3(a)(58) of the Exchange Act. The Audit Committee is currently composed of three members and the Board has determined that each member of the Audit Committee is “independent” and “financially literate,” as such terms are defined by NYSE listing standards. In addition, the Board has determined that each member of the Audit Committee is an “audit committee financial expert” as that term is defined by SEC rules. A director may not serve on the Audit Committee if he or she serves on the audit committee of more than two other public companies, unless the Board determines that such simultaneous service and time commitment would not impair the director’s ability to effectively serve on the Audit Committee.

The Audit Committee is responsible for, among other things, assisting the Board in fulfilling its oversight responsibilities with respect to:

- overseeing the integrity of our financial reporting process, including earnings releases and the filing of financial reports;
- reviewing the quality and adequacy of accounting and financial controls;
- selecting and evaluating the performance of our internal auditors, who report directly to the Audit Committee;
- approving fees and services of our independent registered public accounting firm;
- overseeing our internal audit function, including the head of internal audit;
- reviewing the effectiveness of our legal and regulatory compliance programs;

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- reviewing our enterprise risk assessment and management policies, including the Company’s major enterprise and financial risk exposures and steps taken by management to monitor and mitigate such risks;
- evaluating significant financial matters and decisions, such as capital structure, dividend policy, offerings of corporate securities, major borrowings, credit facilities, derivatives and swaps policies (including entry into swaps in reliance on the end-user exception), post audits of capital investments, capital projects, commercial commitments and merger, acquisition and divestiture activities;
- overseeing funding and investment policy related to employee benefit plans;
- reviewing and investigating any matters pertaining to the integrity of executive management, and overseeing compliance by management with laws, regulations and our Global Standards of Business Conduct;
- reviewing the Company’s policies, programs and practices with respect to environmental, health and safety risks;
- reviewing the Company’s cyber security risks and programs established to manage such risks; and
- establishing and maintaining procedures for handling complaints regarding accounting, internal auditing controls and auditing matters, including procedures for confidential, anonymous submission of such complaints.

Compensation Committee

The Compensation Committee is currently composed of six members and the Board has determined that each member of the Compensation Committee is “independent” as such term is defined by NYSE listing standards and SEC rules.

The Compensation Committee is responsible for, among other things:

- overseeing the implementation and administration of the Company’s compensation plans;
- adopting, amending, terminating and otherwise designing employee benefits plans;
- ensuring that Valvoline’s executive compensation programs are appropriately competitive, support organizational objectives and shareholder interests and emphasize pay for performance linkage;
- reviewing, evaluating and approving compensation of all key senior executives, including the corporate goals and objectives with respect to CEO compensation;
- reviewing compensation policies and practices for all employees, and assessing risks associated with such policies and practices;
- approving any employment agreements, consulting arrangements, severance or retirement arrangements, change-in-control agreements and/or special or supplemental benefits covering any current or former executive officer;
- overseeing the execution of CEO and senior management development and succession plans;
- reviewing and approving any perquisites provided to executive officers;
- reviewing and recommending to the Board the form and amount of director compensation;
- overseeing regulatory compliance on compensation matters, including the Company’s policies on structuring compensation programs to preserve tax deductibility;
- overseeing the preparation of the annual report on executive compensation;
- overseeing compliance with NYSE requirements relating to shareholder approval of equity compensation plans; and
- determining the independence and compensation of, and overseeing the work completed by, any compensation consultant, independent legal counsel or other advisor that it retains.

Governance and Nominating Committee

The G&N Committee is currently composed of six members and the Board has determined that each member is “independent” as such term is defined by NYSE listing standards. The G&N Committee is responsible for, among other things:

- identifying qualified nominees (i) for shareholder election and (ii) for election by the Board to fill any vacancies that occur between annual meetings of shareholders, in each case, consistent with criteria approved by the Board relating to personal and professional integrity, ability, judgment, expertise, experience and diversity;
- reviewing potential director candidates and nominations for re-election and reporting the results of such reviews to the Board;
- identifying board members qualified to fill any vacancies on a committee of the Board;
- reviewing appropriateness of directors’ continued service on the Board or the committees of the Board;
- reviewing transactions pursuant to the Company’s Related Person Transaction Policy set forth in the Company’s Corporate Governance Guidelines;
- recommending stock ownership guidelines for employees and non-employee directors and programs and procedures relating to director evaluation, retention and retirement;
- defining and reviewing the responsibilities of the Board with respect to the Company’s corporate governance, including review of proposed amendments to the Company’s articles or by-laws and the conduct of the meetings of the Board, the committees of the Board and the Company’s shareholders;
- reviewing and recommending policies and procedures to ensure the Board and its committees are properly constituted and organized;
- reviewing all Board committee charters;
- reviewing and, if necessary, making recommendations as to shareholder proposals; and
- reviewing the succession process for senior management.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee (Ms. Twinem and Messrs. Freeland, Kirk, Macadam, Manager and Sonstebly) (i) was an officer or employee of Valvoline at any time during or prior to fiscal 2017 or (ii) is or was a participant in a “related person” transaction with Valvoline since the beginning of fiscal 2017. No executive officer of the Company served on the compensation committee or board of any company that employed any member of Valvoline’s Compensation Committee or the Board.

Director Compensation

The following is a description of our director compensation program for eligible non-employee directors for fiscal 2017. Until Valvoline’s final separation from Ashland, Mr. Wulfsohn was not compensated for his service as a Valvoline director. Mr. Mitchell, Valvoline’s Chief Executive Officer, does not receive additional compensation for his service on the Board.

Annual Retainer

Valvoline’s non-employee director compensation program provides that each non-employee director receives an annual retainer of \$100,000. In addition, the Chair of the Audit Committee receives an annual retainer of \$20,000, and the Chairs of the Compensation and G&N Committees each receive an annual retainer of \$15,000. Effective for fiscal 2018, the non-executive Chairman of the Board will receive an additional annual retainer of \$40,000 for such services. Cash payments are made to each director on a quarterly basis.

Each non-employee director has the opportunity to participate in Valvoline's 2016 Deferred Compensation Plan for Non-Employee Directors (the "Directors' Deferral Plan"). Under the Directors' Deferral Plan, non-employee directors may elect to receive all or a portion of each retainer in cash or in shares of Common Stock. They may also elect to have all or a portion of each retainer deferred into the Directors' Deferral Plan. The directors who make an election to defer part of any retainer may have the deferred amounts held as common stock units (share equivalents) in the hypothetical Common Stock fund or invested in the other available investment options within the Directors' Deferral Plan. Payments from the Directors' Deferral Plan may commence upon a Director's separation from the Board. Plan Participants may elect to have the payout in a single lump sum or in installments not to exceed 15 years. Distributions for deferrals will be made pursuant to each director's election and valued at the time of the distribution.

One-Time Equity Award

In connection with their election to the Board as the Company's inaugural Board members, each non-employee director received a one-time grant of 4,937 restricted shares of Common Stock under the 2016 Incentive Plan on October 1, 2016, representing the number of shares of Common Stock equal to the value of 1,000 shares of Ashland common stock on the date of grant. The restricted shares may not be sold, assigned, transferred or otherwise encumbered until the earliest to occur of: (i) retirement from the Board; (ii) death or disability of the director; (iii) any removal or involuntary separation following a change in control (as defined in the 2016 Incentive Plan); or (iv) voluntary early retirement to enter governmental service. The Compensation Committee has discretion to accelerate vesting of these restricted shares if the non-employee director leaves the Board for reasons other than those listed above. Effective for fiscal 2018, the Board, upon the recommendation of the independent compensation consultant, eliminated initial equity awards for new directors based upon market practices for director compensation.

Annual Equity Award

Under the Directors' Deferral Plan, each non-employee director is also eligible to receive an annual award of deferred stock units. The number of deferred stock units to be granted to each non-employee director shall be determined by dividing \$110,000 (pro-rated as applicable for less than a full-year of service) by the grant date value of a share of Common Stock. The deferred stock units vest one year after the date of grant or, if the director does not seek re-election as a director, upon the date of the annual shareholder meeting that precedes such one-year anniversary, in each case subject to the director's continued service. Dividends are credited and reinvested in additional deferred stock units. The deferred stock units immediately vest upon a director's termination of service on or after a change in control (as defined in the Directors' Deferral Plan) of Valvoline. Any vested deferred stock units will be paid in cash or shares of Common Stock at the time specified in the director's election, or if no election is made, within 60 days after the director's termination of service.

Stock Ownership Guidelines for Directors

The Board of Directors considers Common Stock ownership by directors to be of utmost importance. The Board believes that such ownership enhances the commitment of directors to Valvoline's future and aligns their interests with those of Valvoline's other shareholders. The Board has therefore established minimum stock ownership guidelines for non-employee directors which require each director to own Common Stock having a value of at least five times his or her base annual cash retainer. Each current non-employee director of Valvoline has five years from the year elected to reach this ownership level. As of September 30, 2017, Messrs. Kirk, Sonstebly, and Manager had achieved ownership in excess of the guideline for non-employee directors.

Director Compensation Table

The following table is a summary of compensation information for fiscal 2017, for Valvoline’s non-employee directors.

Name (a)	Fees Earned or Paid in Cash	Stock Awards	Total
	(1) (\$) (b)	(2) (\$) (c)	(d)
Richard J. Freeland	\$ 100,000	\$110,013	\$ 210,013
Stephen F. Kirk	\$ 115,000	\$110,013	\$ 225,013
Stephen E. Macadam	\$ 100,000	\$110,013	\$ 210,013
Vada O. Manager	\$ 115,000	\$110,013	\$ 225,013
Charles M. Sonsteby	\$ 120,000	\$110,013	\$ 230,013
Mary J. Twinem	\$ 100,000	\$110,013	\$ 210,013
William A. Wulfohn (3)	\$ 37,637	—	\$ 37,637

- (1) The values reflected in column (b) include non-employee director retainers as well as retainers paid for service as a committee chair. For fiscal 2017, Messrs. Sonsteby, Manager, and Freeland and Ms. Twinem deferred all or portion of their retainers to the Directors’ Deferral Plan as follows: Mr. Sonsteby deferred \$93,000; Mr. Manager deferred \$11,500; Mr. Freeland deferred \$50,000; and Ms. Twinem deferred \$100,000. Mr. Freeland received \$12,500 of his retainer in Valvoline common stock. Mr. Macadam received \$25,000 of his retainer in common stock.
- (2) The values reflected in column (c) represent the grant date value of the fiscal 2017 annual deferred stock unit award made on January 24, 2017.
- (3) Mr. Wulfohn became a non-employee director following the Stock Distribution on May 12, 2017, and his retainer was pro-rated for the remainder of the fiscal year. On November 15, 2017, after the end of the 2017 fiscal year, Mr. Wulfohn received a pro-rated fiscal 2017 annual deferred stock unit award (3,513 deferred stock units) with a grant date value of \$83,609.

The following table identifies the aggregate outstanding number of shares of restricted stock and unvested stock units held by each non-employee director as of September 30, 2017.

Name	Shares of Restricted Valvoline Common Stock	Unvested Deferred Stock Units (1)
	(#)	(#)
Richard J. Freeland	4,937	6,567
Stephen F. Kirk	4,937	6,567
Stephen E. Macadam	4,937	6,567
Vada O. Manager	4,937	6,567
Charles M. Sonsteby	4,937	6,567
Mary J. Twinem	4,937	6,567
William A. Wulfohn	—	—

- (1) Includes credit for reinvested dividends allocated since grant date for all directors. The units vest one year after date of grant or upon the date of the next annual meeting of shareholders, if earlier.

The Board's Operations

Board Leadership Structure

During fiscal 2017, Mr. Wulfsohn served as our Non-Executive Chairman of the Board. In connection with Mr. Wulfsohn's resignation as Chairman, Mr. Kirk was unanimously appointed by the Board to serve as our Non-Executive Chairman, effective October 1, 2017. The Chairman of the Board organizes Board activities to effectively provide guidance to, and oversight and accountability of, management. To fulfill that role, the Chairman of the Board, among other things, creates and maintains an effective working relationship with the Chief Executive Officer and the other members of senior management and the Board, assures that the Board agenda is appropriately directed to the matters of greatest importance to the Company and provides senior management with the Board's advice, direction and opinions. The Non-Executive Chairman preserves the distinction between management and oversight, maintaining the responsibility of management to develop corporate strategy and the responsibility of the Board to review and express its views on corporate strategy.

Board and Committee Meetings

The Board and Committees must hold regularly scheduled meetings. Directors are expected to attend all meetings of the Board and of the Committees on which they serve. Non-management directors meet in executive session at each regularly scheduled meeting of the Board, and at other times as they may determine appropriate.

Evaluation of Board Effectiveness

The Board must conduct annual self-evaluations to determine whether it and its Committees are functioning effectively. The G&N Committee receives comments from all directors and reports to the Board with an annual assessment of the Board's performance, with a focus on the Board's contribution to the Company and areas in which the Board or its Committees can improve. We may also engage independent, third-party governance experts from time to time to conduct interviews and/or assessments regarding the structure and effectiveness of our Board and its committees. The Committees of our Board have all adopted charters defining their respective purposes and responsibilities. Pursuant to these charters, the Committees must review their respective performances at least annually and each of the Committees has authority to engage independent legal, accounting or other advisors.

The Board's Role in Risk Oversight

The Board has an active role, as a whole, and also at the committee level, in overseeing management of the Company's risk. The Board approves and monitors the fundamental financial and business strategies of the Company and maintains policies and procedures designed to ensure that the assets of the Company are properly safeguarded and enterprise risks are properly managed, that appropriate financial and other controls are maintained, that processes are in place for maintaining the integrity of the Company and that the Company's business is conducted in compliance with applicable laws and regulations. Management is responsible for the day-to-day management of risk, and members of our senior management regularly report to the Board and its Committees on current and emerging risks and the Company's approach to avoiding and mitigating risk exposure. The Board reviews in detail the Company's most significant risks and whether management is responding consistently within the Company's overall risk management and mitigation strategy. While the Board is ultimately responsible for overall risk oversight at our Company, the Committees assist the Board in fulfilling its oversight responsibilities in certain areas. In particular, the Audit Committee has primary responsibility for monitoring the Company's major financial risk exposures and the steps the Company has taken to control such exposures, including the Company's risk management policies and processes. The Audit Committee also assists the Board in fulfilling its oversight responsibility with respect to environmental, health and safety risks and programs. The Compensation Committee monitors the risks associated with our compensation policies and procedures. The G&N Committee is charged with reviewing and recommending governance policies and procedures, including Board and Committee structure, leadership and membership, that ensure independence of the Board as it exercises its corporate governance and risk oversight roles. The G&N Committee also reviews transactions pursuant to our Related Person Transaction Policy (which is further described in "Certain Relationships and Related Party Transactions").

Overview of Governance Principles

We are committed to adhering to sound corporate governance practices. We have adopted Corporate Governance Guidelines, which include our Related Person Transaction Policy. These Guidelines provide the framework for our Board' governance of the Company and include a general description of our Board's purpose, responsibilities and member qualification standards. As further discussed in "—Composition of the Board of Directors," our Corporate Governance Guidelines require that at least two-thirds of our directors be independent. Our Related Person Transaction Policy requires our directors and executive officers to identify annually and on an as needed basis potential transactions with related persons or their firms that meet certain criteria set forth in our Related Person Transaction Policy.

We also require compliance with our code of business conduct, entitled "Global Standards of Business Conduct," which applies to all of our directors and employees, including our principal executive officer, principal financial officer, principal accounting officer and persons performing similar functions, as well as employees of Valvoline Instant Oil Change ("VIOC") stores. Our Global Standards of Business Conduct promote honest and ethical conduct, compliance with applicable laws, rules and regulations, prompt reporting of violations of the standards set forth therein and full, fair, accurate, timely and understandable disclosure in reports filed with the SEC.

Our Corporate Governance Guidelines (including our Related Person Transaction Policy), Global Standards of Business Conduct and Committee charters are published on our investor relations website at <http://investors.valvoline.com/governance> . These documents are also available in print at no cost to any shareholder who requests them. We intend to post any amendments or waivers to our Global Standards of Business Conduct (to the extent applicable to our directors and executive officers) on our investor relations website or in a Current Report on Form 8-K.

EXECUTIVE COMPENSATION

Impact of Separation

Prior to the IPO in September 2016, Valvoline was a wholly-owned subsidiary of Ashland. The final separation occurred on May 12, 2017, at which time we became an independent public company. Based on the shares of Ashland common stock outstanding as of May 5, 2017, the record date for the distribution, each share of Ashland common stock received 2.745338 shares of Valvoline common stock.

Due to the timing of the IPO, fiscal 2017 compensation for the Named Executive Officers was largely determined by the Personnel & Compensation Committee of Ashland’s Board of Directors (the “Ashland P&C Committee”) based on recommendations from Ashland senior leadership (including Mr. Mitchell, in his capacity prior to IPO as Senior Vice President and President, Valvoline). However, following the IPO and establishment of the Valvoline Compensation Committee, a thorough review of current compensation practices was conducted and a number of changes were made to more closely reflect Valvoline’s philosophy as an independent public company:

Changes to the 2017 Compensation Program

	What We Did	Why We Did It
Annual Incentive Plan	<ul style="list-style-type: none"> Removed safety modifier. Increased the Operating Segment participants’ Corporate Operating Income weighting from 20% to 30% with a corresponding reduction from 70% to 60% to their Operating Segment goals. 	<ul style="list-style-type: none"> Safety is fundamental to all that we do at Valvoline and a requirement in the daily course of business. It is not necessary to incentivize it in our annual incentive plan. Foster increased collaboration and alignment of Operating Segments to the overall success of Valvoline.
Long-term Incentive Plan	<ul style="list-style-type: none"> Removed Return on Investment (“ROI”) and introduced Earnings per Share (“EPS”) as core metric. Changed relative TSR from 50% of the total weighting to a 25% modifier. Peer group for relative TSR measurement changed from materials companies in S&P 500 and S&P 400 indices to the entire S&P 500 index. 	<ul style="list-style-type: none"> EPS has greater line of sight for participants and closely aligns with shareholder value creation. Based on our status as a newly independent company, emphasizes financial and operational objectives. Relative TSR is still important and will be used to adjust final payouts to maintain alignment with shareholders. Prior group reflected Ashland’s status as a materials company. Valvoline is a branded consumer products and services company. Selection of S&P 500 index increases robustness of relative TSR comparisons.

	What We Did	Why We Did It
Stock Ownership Guidelines	<ul style="list-style-type: none"> Adopted new guidelines based on multiple of salary. Added stock retention provision. 	<ul style="list-style-type: none"> Preparation to be stand-alone company. Align with new Valvoline compensation philosophy.

At the time of final separation, all outstanding Ashland-denominated equity awards held by Valvoline employees were converted to Valvoline stock in a manner that preserved the pre-separation value of the award. The awards were converted using the volume-weighted average price (“VWAP”) for the 10 trading days starting on May 15, 2017 (first trading day following final separation). This resulted in an exchange ratio of 1 Ashland share to 5.380395 Valvoline shares, and an adjustment to the exercise price of outstanding SARs of 1/5.380395. A sample adjustment is shown below:

Example of Conversion of Outstanding Equity Awards

	Equity Awards Denominated in Ashland (Pre-separation)		Exchange Ratio		Equity Awards Denominated in Valvoline (Post-separation)
Restricted Stock, Restricted Stock Units, or Performance Stock Units	100 shares	X	5.380395	=	538 shares
SARs	100 shares with Exercise price of \$100.00	X ÷	5.380395	=	538 shares with Exercise price of \$18.59

(1) Restricted stock awards and SARs were rounded down to the nearest whole unit; restricted stock units and performance stock units were rounded to three decimal places. The exercise price of SARs was rounded up to the nearest penny.

2017 Highlights

Valvoline delivered strong results for fiscal 2017. Below are a few of our significant accomplishments:

FY17 Financial Highlights	FY17 Operational Highlights	FY17 Strategic Highlights
<ul style="list-style-type: none"> Sales from operating segments increased 8% year-over-year. Total adjusted EBITDA up 13% year-over-year (1) Strong free cash flow generation of \$196 million. (1) Total lubricant volume grew 3% to 179.7 million gallons. 	<ul style="list-style-type: none"> Successful completion of final separation from Ashland. Sustained performance in Q4 despite hurricane disruptions. Premium mix in Core North America improved 440 basis points. Added 59 VIOC stores for a total of 1,127 overall; strong store-level execution with 7.4% same-store sales growth. 	<ul style="list-style-type: none"> Packaging innovation in Core North America segment. Investment in digital and marketing infrastructure. SG&A investments to establish infrastructure as a standalone public company. Reduced pension risk related to inherited obligations.

(1) For a reconciliation of adjusted EBITDA and free cash flow, non-GAAP measures, refer to the “Five-Year Selected Financial Information” Table reconciling net income to EBITDA and Adjusted EBITDA on Pages 26-27 in Item 6 of Part II of the Company’s Annual Report on Form 10-K for the fiscal year ended September 30, 2017.

Compensation Philosophy

During the year, the Compensation Committee adopted a new Compensation Philosophy that is intended to more closely reflect Valvoline’s status as an independent public company and to align our compensation program with the interests of our shareholders. This newly adopted philosophy supports our business strategy, financial objectives, and corporate vision to deliver profitable growth.

Objectives	<ul style="list-style-type: none">• Attract, retain, and motivate a high-performing employee population.• Link a meaningful portion of compensation to sustained long-term performance that will create shareholder value.• Provide transparency to key stakeholders.• Mitigate risk through sound design and decision making.
Supports Profitable Growth	<ul style="list-style-type: none">• Balancing short-term financial goals with long-term value creation.• Routinely evaluating compensation program effectiveness.• Ensuring participants are not motivated to take excessive risk.• Recognizing individual contributions and potential through pay decisions.
Use of Multiple Levers to Deliver Total Compensation	<ul style="list-style-type: none">• Base salary attracts and retains by providing a market competitive fixed income.• Annual incentive programs focus executives on short-term financial performance.• Long-term incentive awards align executive with shareholder interests, link compensation with key business objectives and share price, and build meaningful executive ownership in the company.
Pay Positioning	<ul style="list-style-type: none">• Benchmark pay levels and practices against an appropriate peer group.• Targets the 50th percentile of the competitive range for target total direct compensation and allows company performance to drive actual compensation up or down.

Pay for Performance

This section describes how Valvoline’s short-term and long-term performance is linked to the NEOs’ 2017 compensation.

<p>How do we link performance and pay?</p>	<ul style="list-style-type: none">• A substantial portion of our NEOs’ pay is tied to short-and long-term incentives.• The performance metrics balance key short-term financial goals with long-term shareholder value creation.• For fiscal 2017, the annual incentive plan was based on Valvoline Operating Income and Working Capital Efficiency, with Operating Segment performance included for Messrs. Moughler and Puckett.• Awards earned and distributed under our long-term incentive plan in fiscal 2017 were granted in November of 2015. As such, they include metrics (Return on Investment and relative Total Shareholder Return) and goals that reflect operations of Ashland prior to Valvoline’s final separation from Ashland.• Performance-based long-term incentive awards made during fiscal 2017 are based on Valvoline EPS performance targets that reflect strong year-over-year growth.
<p>How did we perform?</p>	<p>2017 Annual Incentive Plan</p> <ul style="list-style-type: none">• Operating Income, as adjusted under the plan, of \$410.5M, representing 95.9% achievement of the target goal.• Working Capital Efficiency of 12.67%, representing 100.0% achievement of the target goal. <p>2015-2017 Performance Stock Units (“PSUs”)</p> <ul style="list-style-type: none">• Return on Investment (ROI) for Ashland of 10.1%, representing 111.6% achievement of the target goal.• Total Shareholder Return (TSR) for Ashland of 19.2%, representing the 53rd percentile of the performance group and 106.7% of target performance.

2017 Annual Incentive Plan (1)

Executive	Incentive Metric	Weighting	Threshold	Target	Max	Actual	Payout%
Mr. Mitchell and Mses. Meixelsperger and O'Daniel	Valvoline Operating Income	90%	\$371.3M	\$412.6	\$443.5M	\$410.5M	95.9%
	Valvoline Working Capital Efficiency	10%	13.6%	13.0%	13.0%	12.67%	100.0%
						Weighted Total	96.3%
Mr. Moughler	Valvoline Operating Income	30%	\$371.3M	\$412.6M	\$443.5M	\$410.5M	95.9%
	International Operating Segment Operating Income	60%	\$78.9M	\$87.7M	\$94.3M	\$86.1M	84.8%
	Valvoline Working Capital Efficiency	10%	13.6%	13.0%	13.0%	12.67%	100.0%
						Weighted Total	89.7%
Mr. Puckett	Valvoline Operating Income	30%	\$371.3M	\$412.6M	\$443.5M	\$410.5M	95.9%
	Quicklubes Operating Segment Operating Income	60%	\$111.0M	\$123.4M	\$132.6M	\$130.5	142.7%
	Valvoline Working Capital Efficiency	10%	13.6%	13.0%	13.0%	12.67%	100.0%
						Weighted Total	124.4%

(1) For fiscal 2017, operating income was calculated including pension income at planned levels and the Compensation Committee approved certain other adjustments for acquisitions, accounting and tax-related items with a net positive impact of less than \$4 million for purposes of determining annual incentive payouts.

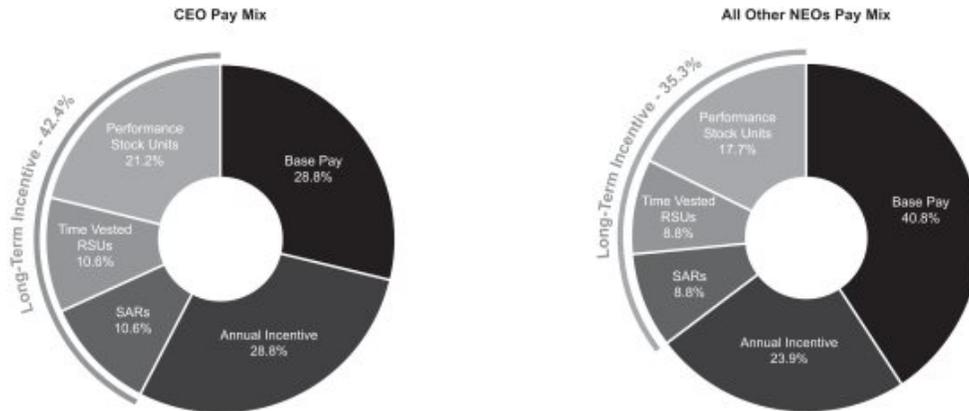
Payouts for 2015-2017 PSUs

Metric	Weighting	Adjusted Performance Measurement Period	Performance Target	Actual Achievement	Actual Payout as a Percentage of Target Payout
Ashland Return on Investment	50%	October 1, 2014 through March 31, 2017 (latest quarter prior to separation)	9.9%	10.1%	111.6%
Ashland Total Shareholder Return	50%	October 1, 2014 through May 12, 2017 (last trading date prior to separation)	50 th percentile	53 rd percentile	106.7%
Weighted Performance Results: 109.2%					

To reinforce our pay-for-performance philosophy, the total compensation program for the NEOs is highly incentive-based and therefore fluctuates based on financial results and stock price performance. This approach motivates executives to consider the impact of their decisions on both the short- and long-term performance of the Company and shareholder value creation, while taking appropriate types and amounts of risk.

For fiscal 2017, seventy-one percent (71%) of the CEO's target compensation and fifty-nine percent (59%) of the other NEOs' target compensation, on average, was at-risk.

Pay Mix of CEO and Other NEOs



What We Do vs. What We Don't Do

What We Do	What We Don't Do
<ul style="list-style-type: none"> ✓ Emphasize pay-for-performance ✓ Utilize a balance of short- and long-term incentives and cash- and equity-based compensation ✓ Engage in rigorous goal-setting process for all incentive metrics ✓ Apply robust stock ownership guidelines ✓ Subject all equity awards to double-trigger change-in-control vesting provisions ✓ Maintain a robust clawback policy ✓ Use a representative and relevant peer group ✓ Use an independent compensation consultant ✓ Provide Board oversight of incentive compensation risk 	<ul style="list-style-type: none"> ✗ No tax gross ups on change-in-control payments ✗ No single-trigger change-in-control payments ✗ No hedging or pledging of Company stock ✗ No excessive perquisites ✗ No re-pricing of equity awards ✗ No share recycling ✗ No employment agreements ✗ No dividends or dividend equivalents on unearned PSUs

Elements of Valvoline’s Executive Compensation Program

Valvoline’s executive compensation program for 2017 consisted of the following elements for our NEOs:

	Element of Compensation	Purpose	Relevant Performance Metric	
Annual Cash Compensation	Base Salary	To provide fair and competitive compensation representative of individual performance and level of responsibility.	Merit increase guidelines based on individual performance rating	Fixed
	Annual Incentive Compensation	To provide performance-based annual cash award based on Valvoline and Operating Segment performance in order to motivate and reward key employees for achieving our short-term business objectives.	Operating Income and Working Capital Efficiency	
Long-Term Incentive	Stock Appreciation Rights	To align participants’ interests with shareholders.	Value only realized if stock price increases	Variable
	Time-Vested Restricted Stock Units	To enhance the program’s ability to retain participants and drive long-term behavior.	Time-vested	
	Performance Stock Units	To provide performance-based equity compensation in the form of performance stock units to drive Valvoline’s long-term performance.	EPS and relative TSR	
Benefits and Perquisites	Retirement Benefits	To provide tax-efficient means for building savings for retirement over the term of employment.		Fixed
	Health and Welfare Benefits	To provide access to medical care for employees and their families, as well as financial security to the families of employees who may become ill, disabled, or die during active employment.		
	Executive Perquisites—Financial Planning	To address the complex tax and financial situations of our senior executives.		
	Severance Pay Plan	To provide for protection of compensation in the event of a covered termination and secure restrictive covenants to protect the Company’s interests.		
	Change in Control Agreements	To provide for protection of compensation, which allows executives to remain objective and act in the best interests of shareholders without regard for their future employment status in the event of a change in control and covered termination, and secure restrictive covenants to protect the Company’s interests.		

How We Make Pay Decisions

Role of Consultant

The Compensation Committee directly engages Deloitte Consulting LLP (“Deloitte” or the “compensation consultant”) to serve as the outside advisor on executive compensation matters. Deloitte’s role includes, but is not limited to, assessment of the following items:

- The competitiveness of total compensation provided to Valvoline’s key executives;
- Executive stock ownership guidelines;
- Change in control severance agreements for key executives;
- Incentive compensation programs for risk;
- Composition of the peer group used to benchmark executive compensation;
- The degree of difficulty of the performance targets under incentive compensation plans;
- Compensation-related disclosures, including this CD&A; and
- The alignment of actual pay and performance.

In addition to the compensation services provided by Deloitte to the Compensation Committee, Deloitte affiliates provided certain services at the request of management consisting of (i) tax accounting assistance and (ii) valuation and modeling services. The total fees of compensation-related services and other services are shown in the table below.

Fees Paid to Consultant

	2017	%
Executive Compensation Fees	\$329,949	54%
All Other Fees	\$285,069	46%
Total	\$615,018	

The Compensation Committee believes that, given the nature and scope of these projects, these additional services did not raise a conflict of interest and did not impair Deloitte’s ability to provide independent advice to the Compensation Committee concerning executive compensation matters.

In making this determination, the Compensation Committee considered, among other things, the following factors:

- The types of non-compensation services provided by Deloitte;
- The amount of fees for such non-compensation services, noting in particular that such fees are negligible when considered in the context of Deloitte’s total revenues for the period;
- Deloitte’s policies and procedures concerning conflicts of interest;
- Deloitte representatives who advise Valvoline’s Compensation Committee do not provide any non-compensation related services to Valvoline;
- There are no other business or personal relationships between Valvoline management or members of the Valvoline Compensation Committee and the Deloitte representatives who provide compensation services to Valvoline; and
- Neither Deloitte nor any of the Deloitte representatives who provide compensation services to Valvoline own any common stock or other securities of Valvoline.

Peer Group

As detailed in our compensation philosophy, we benchmark pay levels and practices against a peer group for the purposes of evaluating NEO compensation. Prior to the final separation of Valvoline from Ashland, a preliminary group was used to make compensation decisions for fiscal 2017. The group was comprised of the following companies: Dr. Pepper Snapple Group, Energizer Holdings, Fortune Brands Home & Security, Inc., Innospec, Inc., LKQ Corporation, Monro Muffler Brake, Inc., Newell Brands, NewMarket Corporation, Olin Corporation, Pep Boys—Manny Moe & Jack, Scotts Miracle-Gro Company, Snap-On Inc., Spectrum Brands Holdings, The Church and Dwight Company, The Clorox Company, Tupperware Brands Corporation, and Valspar Corporation.

In June 2017, Deloitte performed a comprehensive review of our peer group using the following criteria:

- Industry; specifically, companies that market consumer (durable and non-durable) goods, focus on the automotive industry, operate in the lubricants / chemical space, and/or maintain a large retail footprint or market primarily through retail channels.
- Size;
- Complexity;
- Peer group similarity (including a “peer of peer” analysis); and
- Competitive market for talent

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The peer group was reviewed and approved by the Compensation Committee, with assistance from management, and is comprised of the following companies:

Peer Group

Company	Size (1)	Consumer Brand/Retail (2)	Chemical (3)	Automotive (4)
Valvoline	✓	✓	✓	✓
The Clorox Company		✓	✓	
Spectrum Brands Holdings, Inc.		✓	✓	✓
Snap-on Incorporated	✓	✓		✓
Church & Dwight Co., Inc.	✓	✓	✓	
Cooper Tire & Rubber Company	✓	✓		✓
The Scotts Miracle-Gro Company	✓	✓	✓	
Revlon, Inc.	✓	✓	✓	
Edgewell Personal Care Company	✓	✓	✓	
Tupperware Brands Corporation	✓	✓		
Nu Skin Enterprises, Inc.	✓	✓	✓	
NewMarket Corporation	✓		✓	✓
Central Garden & Pet Company	✓	✓	✓	
Energizer Holdings, Inc.	✓	✓		
W. R. Grace & Co.	✓		✓	✓
Monro Muffler Brake, Inc.	✓	✓		✓
Innospec Inc.			✓	✓
Quaker Chemical Corporation			✓	✓
WD-40 Company		✓	✓	

- (1) Generally, between one-half and two times the size of Valvoline’s revenue
- (2) Markets durable and non-durable consumer products and/or maintains a large retail footprint or markets primarily through retail channels
- (3) Operates in lubricants / chemical space
- (4) Focuses on the automotive industry

Benchmarking / Survey Data

Over the course of the year, our Compensation Committee analyzes the total compensation of our executive officers. To facilitate this analysis, management works with the independent compensation consultant to provide the Compensation Committee with data that include base salaries, and short- and long-term incentive opportunities. The independent compensation consultant also provides information on performance metrics, long-term incentive vehicles and weightings of those vehicles, post-employment benefits, such as severance and retirement vesting provisions, and compensation trends, as necessary. This data reflects recent publicly available

information for our peer group and other market survey data discussed further below. We believe that it provides the Compensation Committee with a sufficient basis to analyze both the level and design of the total compensation provided our executive officers. As stated in our compensation philosophy, we target the 50th percentile of the competitive range for target total direct compensation, with a significant element of compensation “at-risk”. Therefore, actual compensation levels are highly dependent on company, operating segment, and / or individual performance.

Where sufficient benchmark data is not available from public filings, we utilize published survey data as a supplementary source. The survey data focuses on consumer products and general industry companies and is size-adjusted based on revenues and a statistical regression analysis that is consistent with the corporate or business segment responsibilities for each executive.

Internal Pay Equity

In addition to being competitive with the external market, we believe that our executive compensation program should be internally consistent and equitable. In its review of total compensation, our Compensation Committee considers the relationship between our CEO’s total compensation and that of our other Named Executive Officers, as well as the consistency and pay equity among those Named Executive Officers. For 2017, the Compensation Committee concluded that our CEO’s compensation was reasonable compared to that of our other Named Executive Officers, and the 2017 compensation of each of our non-CEO Named Executive Officers was internally consistent and equitable in light of their respective roles, responsibilities, experience, and reporting relationships.

“Say on Pay”

We held our first annual meeting of shareholders on January 24, 2017. At this meeting, Valvoline shareholders voted on two proposals related to executive pay. The first proposal was a non-binding advisory vote on our executive compensation (“Say on Pay”) as disclosed in the Proxy Statement for fiscal 2016. The Say on Pay proposal received a FOR vote from 99.8% of votes cast. The second proposal was a recommendation to include a non-binding advisory vote on our executive compensation as disclosed in the Proxy Statement every year, which passed with over 99% of the votes cast. Based upon the strong shareholder support of the Board’s recommendation that shareholders be provided the option to vote on Say on Pay annually, our Board will hold a Say on Pay vote annually.

We anticipate ongoing dialogue with our shareholders regarding Valvoline’s executive compensation programs. We will consider any and all feedback pertaining to these programs in future decision making and program design.

Compensation Decisions for Fiscal 2017

Base Salary

Valvoline utilizes merit increase guidelines based on an individual’s performance and his or her position relative to the competitive market median to formulate recommendations. All employees, including the Valvoline NEOs, are generally subject to the same merit increase guidelines, and increases have historically been effective in Spring of each year. In preparation for the separation of Valvoline as an independent, publicly-traded company, the compensation consultant prepared a competitive assessment of Valvoline’s NEOs. The Compensation Committee reviewed the analysis and approved the base salaries below effective October 1, 2016, to recognize the size and scope of each executive’s respective role and motivate a continued high level of performance through and after the separation. In the case of Mr. Mitchell, he was provided an increase effective October 1, 2016 to recognize his promotion to Chief Executive Officer of Valvoline, prior to the completion of our initial public offering on September 28, 2016. The subsequent increase on May 1, 2017 was made in conjunction with the final separation, after which Mr. Mitchell became Chief Executive Officer of an independent, publicly-traded company.

Fiscal 2017 Base Salary

Executive	Effective Date	Base Salary
Samuel J. Mitchell, Jr.	10/1/2016	\$800,000
	5/1/2017	\$950,000
Mary Meixelsperger	10/1/2016	\$535,000
Julie M. O'Daniel	10/1/2016	\$380,000
Craig A. Moughler	10/1/2016	\$350,000
Anthony R. Puckett	10/1/2016	\$310,000

Annual Incentive

Under the annual incentive plan, target annual incentive opportunities for all Valvoline NEOs are expressed as a percentage of the base salary in effect at the end of the performance period. Mr. Mitchell's target was increased by 10 percentage points to reflect his new role as CEO of an independent, publicly-traded company and Ms. O'Daniel's target was increased by 8 percentage points to reflect her new role as General Counsel. All other NEOs' target opportunities remained the same following final separation.

Changes in Target Annual Incentive Opportunity

Executive	FY16 Target Opportunity (% of Salary)	Increase	FY17 Target Opportunity (% of Salary)
Samuel J. Mitchell, Jr.	90%	+10%	100%
Mary Meixelsperger	75%	—	75%
Julie M. O'Daniel	42%	+8%	50%
Craig A. Moughler	50%	—	50%
Anthony R. Puckett	50%	—	50%

For fiscal 2017, the primary metrics for the annual incentive plan were Operating Income and Working Capital Efficiency, weighted 90% and 10%, respectively. Operating Income is a key indicator of Valvoline corporate and Operating Segment profitability. Operating Income may be adjusted by the Compensation Committee for unplanned or one-time items, such as gains or losses on the disposition of assets, impairment or restructuring charges or gains on divestitures of major businesses. Working Capital Efficiency focuses on three key cash flow drivers (accounts receivable, inventory and accounts payable) and is measured as a percentage of sales. This measurement was chosen because Working Capital Efficiency, like Operating Income, is an important measure of Valvoline's ability to optimize cash flow. For the Operating Income metric, Mr. Mitchell and Ms. Meixelsperger and O'Daniel are measured on corporate performance, while Messrs. Moughler and Puckett are measured on performance at both the corporate and Operating Segment levels, 30% and 60%, respectively.

Performance Against 2017 IC Metrics

Metric	Threshold	Target	Maximum	Actual Achievement	Payout as a % of Target
Corporate Operating Income (1)(3)(4)	\$371.3M	\$412.6M	\$443.5M	\$410.5M	95.9%
International Operating Segment Operating Income (1)(3) (4)	\$78.9M	\$87.7M	\$94.3M	\$86.1M	84.8%
Quicklubes Operating Segment Operating Income (1)(3) (4)	\$111.0M	\$123.4M	\$132.6M	\$130.5M	142.7%
Corporate Working Capital Efficiency (2)(3)	13.59%	12.94%	12.94%	12.67%	100.0%

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- (1) Threshold performance results in payout of 20% of target opportunity, maximum performance results in payout of 155.5% of target opportunity.
- (2) Threshold performance results in payout of 20% of target opportunity, target performance or better results in 100% of target opportunity.
- (3) Maximum aggregate payout opportunity is 150% of target opportunity ((155.5% * 90%) + (100% * 10%)).
- (4) For fiscal 2017, operating income was calculated including pension income at planned levels and the Compensation Committee approved certain other adjustments for acquisitions, accounting and tax-related items with a net positive impact of less than \$4 million for purposes of determining annual incentive payouts.

Actual annual incentive awards are calculated as follows:

Payouts Under 2017 Annual Incentive Plan

Executive	FY17 Salary	FY17 Target Opportunity (% of Salary)	Target Annual Cash Incentive Opportunity	Actual as a % of Target Payout	Amount Earned for 2017
Samuel J. Mitchell, Jr.	\$950,000	100%	\$950,000	96.3%	\$914,945
Mary Meixelsperger	\$535,000	75%	\$401,250	96.3%	\$386,444
Julie M. O'Daniel	\$380,000	50%	\$190,000	96.3%	\$182,989
Craig A. Moughler	\$350,000	50%	\$175,000	89.7%	\$156,888
Anthony R. Puckett	\$310,000	50%	\$155,000	124.4%	\$192,805

Long-term Incentive

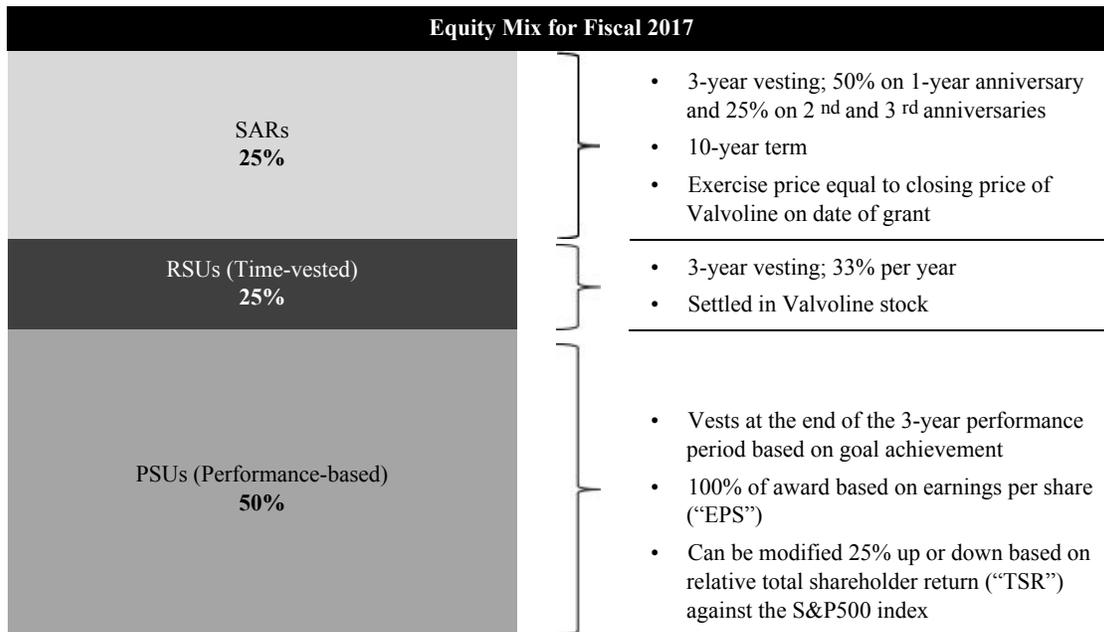
Target long-term incentive opportunities for the NEOs are shown below. Mr. Mitchell's target long-term incentive opportunity was increased to reflect his new role as CEO of an independent, publicly-traded company. For fiscal 2017, we revised the long-term incentive opportunities for Messrs. Moughler and Puckett and Ms. O'Daniel from a fixed dollar amount to a percentage of base salary to align more closely with Valvoline leadership and market practice. The absolute change in value was negligible for Messrs. Moughler and Puckett. The increase for Ms. O'Daniel reflects her promotion to General Counsel.

Changes in Target Long-term Incentive Opportunity

Executive	FY16 Target Opportunity (% of Salary)	Change	FY17 Target Opportunity (% of Salary)
Samuel J. Mitchell, Jr.	135%	40%	175%
Mary Meixelsperger	140%	—	140%
Julie M. O'Daniel	\$75,000	Approximately 40%	75%
Craig A. Moughler	\$142,000	—	50%
Anthony R. Puckett	\$142,000	—	50%

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In fiscal 2017, our long-term incentive program for the NEOs consisted of 25% stock appreciation rights (“SARs”), 25% restricted stock units (“RSUs”), and 50% performance stock units (“PSUs”). The Compensation Committee chose these vehicles and weightings to (a) align executive pay with shareholder value creation, (b) provide PSUs that directly link executive pay with the Company’s long-term goals, and (c) facilitate stock ownership and retention. Pursuant to the terms of the Awards, each recipient is subject to non-compete and non-solicitation covenants during employment and for 24-months following termination.



Prior to the final Separation of Valvoline, the Ashland P&C Committee approved the acceleration of performance certification for the 2015-2017 PSUs. The performance of the 2016-2018 PSUs and Mr. Mitchell’s award made under the Executive Performance Incentive and Retention Plan (“EPIRP”) in November of 2015 were also certified by Ashland’s P&C Committee and our Compensation Committee during fiscal 2017 pursuant to the award agreements.

2015-2017 PSUs

The 2015-2017 PSUs were designed to measure performance from October 1, 2014 to September 30, 2017. The Ashland P&C Committee determined that a sufficient portion of the performance period had elapsed as of final separation on May 12, 2017 to measure performance. Performance was certified as shown below, with all outstanding awards converted to RSUs that vested and settled in shares of Valvoline common stock on November 12, 2017, the original vesting date. Based on above-target ROI and relative TSR performance, the overall award was earned at 109.2% of target.

Payouts for 2015-2017 PSUs

Metric	Weighting	Adjusted Performance Measurement Period	Performance Target	Actual Achievement	Payout as a % of Target
Ashland Return on Investment	50%	October 1, 2014 through March 31, 2017 (latest quarter prior to separation)	9.9%	10.1%	111.6%
Ashland Relative TSR	50%	October 1, 2014 through May 12, 2017 (last trading date prior to separation)	50 th percentile	53 rd percentile	106.7%
Weighted Performance Results: 109.2%					

2016-2018 PSUs

In anticipation of the final Separation, the 2016-2018 PSUs were designed to measure performance from October 1, 2015 through 120 days after the final Separation. Based on the timing of final Separation, one-third of the target award was converted to time-based RSUs, with the remaining two-thirds subject to performance conditions. The converted RSUs will vest and be settled in shares of Valvoline common stock on November 18, 2018, the original vesting date. ROI performance was slightly below target performance while relative TSR performance was below the 35th percentile threshold. Based on the combined performance results, the portion of the award subject to performance-criteria was earned at 48.4% of target.

Payouts for 2016-2018 PSUs

Metric	Weighting	Adjusted Performance Measurement Period	Performance Target	Actual Achievement	Payout as a % of Target
Ashland Return on Investment	50%	October 1, 2015 through March 31, 2017 (latest quarter prior to separation)	8.9%	8.8%	96.8%
Combined Ashland/Valvoline relative TSR	50%	October 1, 2014 through September 8, 2017 (120 trading days after separation)	50 th percentile	22 nd percentile	0%
Weighted Performance Results: 48.4%					

EPIRP

The EPIRP was designed in a similar manner to the 2016-2018 PSUs, but the entire performance component of the award was based on relative Total Shareholder Return. The awards were granted at the maximum level, and the portion of the award subject to the performance condition was determined by the timing of Valvoline's final separation from Ashland. Based on the final separation date, a total of one-sixth of the shares awarded converted to time-based RSUs. TSR performance was below the threshold performance level of the 35th percentile, resulting in no earned shares for the performance-based portion of the award.

Payouts for EPIRP

Metric	Adjusted Performance Measurement Period	Performance Target	Actual Achievement	Payout as a % of Target
Combined Ashland/Valvoline Total Shareholder Return	October 1, 2014 through September 8, 2017 (120 trading days after separation)	50 th percentile	22 nd percentile	0%

Design of 2017-2019 PSUs

In November 2016, consistent with our regular grant cycle, the Compensation Committee (with the approval of Ashland’s P&C Committee) awarded PSUs to the NEOs for the 2017-2019 performance period. These awards were granted out of Ashland’s equity incentive plan and designed to be settled in cash at the end of the performance period. The awards are based solely on EPS with a relative TSR modifier as shown below:

	Design	Rationale
EPS 100% of award	<ul style="list-style-type: none"> 25% for each year during the performance period (75% total). 25% for 2017-2019 cumulative measurement period. All goals set at the beginning of the three-year performance period. All awards vest at the end of the three-year performance period. Actual payouts can range from 0% to 200% of target based on performance versus pre-established goals. 	<ul style="list-style-type: none"> Requiring annual and cumulative goals ensures that EPS growth is measured both annually and cumulatively over the three-year period, rewarding sustained performance. Annual performance goals improve visibility to the relative attainability and difficulty of the goals and, as a result, better align performance and payouts.

Relative TSR 25% Modifier	<ul style="list-style-type: none"> Measured against S&P 500 index from October 1, 2016 to September 30, 2019 Applies to entire award Maximum payout is 250% of target 	<ul style="list-style-type: none"> While focus is on financial and operational goals, relative TSR is still important to ensure alignment with shareholders over the entire performance period 	
	Relative TSR Performance		Adjustment
	≤ 25th %ile		-25%
	26th – 74th %ile		No Impact
	≥ 75th %ile	+25%	

In order to increase alignment with shareholders, on September 14, 2017, the Compensation Committee granted RSUs to certain senior executive officers of Valvoline, including Messrs. Moughler and Puckett and Mses. Meixelsperger and O’Daniel, but excluding Mr. Mitchell. Each executive was granted an award representing 12,500 shares of Valvoline’s common stock that cliff vest on September 14, 2020, subject to the executive officer remaining continuously employed by Valvoline through the vesting date.

Other Benefits and Perquisites

Health and Welfare Benefits

The health of all employees is important to Valvoline, as is the need to provide for financial security to the families of employees who may become ill, disabled or die during active employment. Valvoline provides a wide variety of health and welfare benefit plans to a majority of its active U.S. workforce, including the NEOs. These plans include medical, dental, vision, life, accidental death and dismemberment, and business travel and accident coverage. These benefits are targeted at market competitive levels. Valvoline’s NEOs participate in the same plans and are eligible for the same coverage as other employees.

Executive Perquisites

Valvoline provides financial planning services (including tax preparation) for the NEOs.

Post-termination

Retirement Benefits

Valvoline offers a combination of tax-qualified and non-qualified retirement plans designed to assist executives in building savings for retirement over the term of their employment.

401(k) Plan	<ul style="list-style-type: none"> • Tax-qualified defined contribution plan available to generally all employees, including NEOs
Valvoline Non-Qualified Defined Contribution Plan (“NQDC Plan”)	<ul style="list-style-type: none"> • Unfunded, non-qualified defined contribution plan • Provides a contribution equivalent to Valvoline’s match and supplemental company contributions on annual incentive compensation paid and eligible earnings in excess of limits established under Code Section 401(a)(17) not permitted in the tax-qualified 401(k) plan
Ashland Hercules Pension Plan (“Pension Plan”)	<ul style="list-style-type: none"> • Tax-qualified defined benefit plan • Closed to new participants in January 2011 • Benefit accruals frozen September 30, 2016
Non-Qualified Excess Defined Benefit Pension Plan (“Excess Plan”)	<ul style="list-style-type: none"> • Unfunded, non-qualified defined benefit plan • Provides benefit equal to the difference between the benefit under the Pension Plan in the absence of the Code limits (the gross benefit) and the actual benefit that would be payable under the Pension Plan • Closed to new participants in January 2011 • Benefit accruals frozen September 30, 2016
Supplemental Early Retirement Plan (“SERP”)	<ul style="list-style-type: none"> • Unfunded, non-qualified plan • Closed to new participants in November 2015 • Benefit accruals frozen September 30, 2016 • Provides supplemental retirement arrangement for select group of management

Severance Benefits

Our NEOs are covered by the Severance Pay Plan, which provides benefits in the event of a covered termination from employment absent a change-in-control.

Conditions for Severance Benefits

Covered Terminations	Post-employment Covenants
<ul style="list-style-type: none"> Permanent closing of a location or plant; Job discontinuance; Resignation for good reason (defined as a reduction of 15% or more of the sum of base salary and target annual bonus or relocation of principal place of business by more than 50 miles); or Any circumstances in which active employment is terminated at the Company's initiative for reasons not excluded under the plan 	<ul style="list-style-type: none"> Agree to a general release of liability; Refrain from competitive activity; Not disclose confidential information; and Refrain from soliciting customers or employees of Valvoline or otherwise interfere with Valvoline's business for a stated period of time following termination

Our NEOs are eligible for the following severance benefits:

Severance Benefits

Executive	Cash Severance	Annual Bonus	Outplacement Services	Health Benefit Continuation	Equity Vesting
Samuel J. Mitchell, Jr.	104 weeks of base pay	Pro-rata based on actual performance	\$25,000	104 weeks of continued coverage	All outstanding equity awards forfeited except by Compensation Committee discretion
Mary Meixelsperger	78 weeks of base pay			78 weeks of continued coverage	
Julie M. O'Daniel					
Craig A. Moughler					
Anthony R. Puckett					

Change-in-Control Benefits

All of our NEOs have a double-trigger change-in-control agreement with us that have substantially the same terms and conditions as summarized below:

Summary of Change-in-Control Provisions

	Mr. Mitchell	All Other NEOs
Protection Period	<ul style="list-style-type: none"> Two years following change-in-control 	<ul style="list-style-type: none"> Two years following change-in-control for cash severance payments; One year following change-in-control for equity vesting benefits per 2016 Valvoline Incentive Plan, section 12(A) (1)
Benefits (only paid upon a change-in-control and qualifying termination)	<ul style="list-style-type: none"> Payment of three times the sum of highest annual base compensation and highest target annual incentive compensation in respect of the prior three fiscal years preceding the fiscal year in which the termination occurs, in a lump sum, paid in the seventh month following termination; Continued participation in medical, dental and group life plans through December 31 of the third calendar year following the calendar year of termination; Full payment of any PSUs outstanding as of termination date, assuming target performance (less any amounts already paid because of the change in control); Payment of all prior existing incentive compensation not already paid and a pro-rata payment of the target annual incentive for the fiscal year in which termination occurs; Outplacement services and financial planning services for one year after termination; Payment of all unused, earned and accrued vacation in a lump sum in the seventh month following termination; and Immediate vesting of all outstanding RS/RSUs, SARs and stock options 	<ul style="list-style-type: none"> Payment of two times the sum of annual base compensation and target annual incentive compensation; Continued participation in group health plans for two years following termination; Full payment of any PSUs outstanding as of termination date, assuming target performance (less any amounts already paid because of the change in control); Payment of all prior existing incentive compensation not already paid and a pro-rata payment of the target annual incentive for the fiscal year in which termination occurs; Outplacement services up to \$25,000; Payment of all unused, earned and accrued vacation; and Immediate vesting of all outstanding RS/RSUs, SARs and stock options
Definition of Cause	<ul style="list-style-type: none"> Willfully failing to substantially perform duties after a written demand for such performance (except in the case of disability); Willfully engaging in gross misconduct demonstrably injurious to Valvoline after a written request to cease such misconduct; or Conviction or plea of nolo contendere for a felony involving moral turpitude To be terminated for cause, the Board of Directors must pass a resolution by three quarters vote finding that the termination is for cause 	<ul style="list-style-type: none"> Willfully failing to substantially perform duties (except in the case of disability); Willfully engaging in gross misconduct demonstrably injurious to Valvoline; or Conviction or plea of nolo contendere for a felony involving moral turpitude

	Mr. Mitchell	All Other NEOs
Definition of Change-in-Control	<ul style="list-style-type: none"> The consolidation or merger of Valvoline into an unrelated entity in which the former Valvoline shareholders own less than 50% of the outstanding shares of the new entity, except for a merger under which the shareholders before the merger have substantially the same proportionate ownership of shares in the entity immediately after the merger; The sale, lease, exchange or other transfer of 80% or more of Valvoline’s assets; A shareholder approved liquidation or dissolution; The acquisition of 20% or more of the outstanding shares of Valvoline by an unrelated person without approval of the board of directors; or Changes to the Valvoline board of directors during two consecutive years that result in a majority of the Valvoline board of directors changing from its membership at the start of such two consecutive year period, unless two-thirds of the remaining directors at the start of such two consecutive year period voted to approve such changes 	
Definition of Good Reason	<ul style="list-style-type: none"> Significant diminution of positions, duties, responsibilities or status, or a diminution in titles or offices Reduction to base salary of 15% or more; Relocation exceeding 50 miles; Failure to continue incentive plans, whether cash or equity, or any other plan or arrangement to receive Valvoline securities; or Material breach of the executive change in control agreement or a failure to assume such agreement 	<ul style="list-style-type: none"> Significant diminution of positions, duties, responsibilities or status Reduction of 15% or more of the sum of (i) annual base salary plus (ii) target annual bonus; Relocation exceeding 50 miles; Failure to continue incentive plans, whether cash or equity, or any other plan or arrangement to receive Valvoline securities; or Material breach of the executive change in control agreement or a failure to assume such agreement
Tax gross-ups	<ul style="list-style-type: none"> None, benefits scaled back using a “best-after-tax” approach 	
Post-employment Covenants	<ul style="list-style-type: none"> Non-compete, non-solicit of customers, non-solicit of employees, and non-interference for 36 months and non-disclosure of confidential information indefinitely 	<ul style="list-style-type: none"> Non-compete, non-solicit of customers, non-solicit of employees, and non-interference for 24 months and non-disclosure of confidential information indefinitely

Governance Policies and Practices

Clawback Policy

Valvoline adopted a clawback policy for executive officers, including the NEOs. This policy further strengthens the risk mitigation of our incentive programs by defining the economic consequences that misconduct has on the executive officers’ incentive based compensation. In the event of a financial restatement due to fraudulent activity or intentional misconduct as determined by the Board of Directors, the culpable executive officer is required to reimburse Valvoline for incentive-related compensation paid to him or her. In addition, the Board of Directors has the discretion to determine whether an executive will be required to repay incentive-related compensation, whether or not such officer was involved in the fraudulent activity or misconduct. Valvoline has a period of three years after the payment or award is made to seek reimbursement.

Stock Ownership Guidelines

Valvoline maintains stock ownership guidelines that align the interests of leadership, including the NEOs and non-employee directors, with those of its stockholders, by requiring each of the NEOs and directors to maintain a minimum ownership stake in the company. Each Covered Individual (defined as non-employee members of the Board of Directors and all U.S. employees designated as Section 16 Officers and/or in positions at the Senior Vice President level and above) by the guidelines will have 5 years from the later of (i) the effective date of the guidelines or (ii) the date such individual is hired or promoted into a covered role before they will be required to meet the requirements under the Valvoline Stock Ownership Guidelines. In the event that a Covered Individual is

promoted to a new role within the organization and, as a result of such promotion, is subject to a higher guideline, the impacted individual shall have an additional 3 years from the date of promotion to achieve the new ownership guidelines.

Stock Ownership Guidelines

Role	Multiple of Salary or Annual Retainer
Chief Executive Officer	5x
Chief Financial Officer	3x
Other Executive Officers	2x
Non-Employee Directors	5x

Covered Individuals are required to retain 50% of the net share proceeds from any vesting or exercise activity to the extent they have not met their applicable stock ownership guideline. Once met, the ownership guideline will convert to a share equivalent in order to mitigate the impact of future share price fluctuations.

The following types of equity will count towards the ownership guidelines:

- Unvested restricted stock and/or restricted stock units;
- Shares awarded to or purchased by a Covered Individual pursuant to a Company employee benefit plan;
- Shares owned by an immediate family member who shares the same household as the Covered Individual, including: child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law and also includes adoptive relationships;
- Shares held in the dividend reinvestment plan;
- Phantom shares (e.g., Deferral Plan Units); and
- Shares of common stock held by Covered Individuals.

Anti-Hedging / Anti-Pledging Policy

Valvoline's insider trading policy prohibits any director or executive officer, including the NEOs, from purchasing any financial instruments (including prepaid variable forward contracts, equity swaps, collars and exchange funds) that are designed to hedge or offset any decrease in the market value of equity securities of Valvoline: (i) granted to such person by Valvoline as part of the person's compensation or (ii) held, directly or indirectly, by such person. Valvoline also prohibits all of its directors and officers from directly or indirectly pledging equity securities of Valvoline. Under the policy, the term "pledging" includes the intentional creation of any form of pledge, security interest, deposit, lien or other hypothecation, including the holding of shares in a margin account, that entitles a third party to foreclose against, or otherwise sell, any equity securities, whether with or without notice, consent, default or otherwise. The equity securities attributable to a director or officer for these purposes shall include equity securities attributable to the director or officer under applicable securities laws.

Risk Assessment

Valvoline's compensation program is designed to motivate and reward employees and executive officers for their performance during the fiscal year and over the long term, while taking appropriate business risks. The Compensation Committee asked its independent compensation consultant to conduct a risk assessment of Valvoline's incentive compensation plans in May 2017. Based on its review of the consultant's risk assessment, a review of Valvoline's internal controls and the risk mitigating components of Valvoline's compensation programs, the Compensation Committee determined that Valvoline's compensation programs do not encourage executives or other employees to take inappropriate risks that are reasonably likely to have a material adverse effect on Valvoline.

Compensation Decisions for Fiscal 2018

Looking forward to fiscal 2018, the Compensation Committee continued to review and refine the compensation program to better align with our compensation philosophy and shareholders. As a result, the compensation actions below were made effective for fiscal 2018:

Changes to the 2018 Compensation Program

	What We Did	Why We Did It
Annual Incentive Plan	<ul style="list-style-type: none"> • Changed weighting of Operating Income metric from 90% to 80% for Valvoline global plan participants • Reallocated 10% weight for Operating Segment, Business Unit, and Regional plan participants • Changed Working Capital Efficiency metric to: <ul style="list-style-type: none"> • Lubricant Volume for participants in the Global, Core North America, and International plans • Same Store Sales and Unit Growth for Valvoline Instant Oil Change • Inventory as % of Sales for Global Supply Chain employees to maintain focus on efficient cash and inventory management 	<ul style="list-style-type: none"> • At a weight of 90%, the materiality of any secondary measures were not substantial enough to incent participants. • Allow for a minimum weight of 20% to be assigned to growth oriented metrics within the business • Highlight the importance of growing the business at both the operating segment and overall corporate levels. • Achievement of plan will ensure profitable growth drives annual incentives • Allow for a minimum weight of 20% to be assigned to growth oriented metrics within the business
Long-term Incentive Plan	<ul style="list-style-type: none"> • Shift relative TSR Peer Group (modifier on EPS performance) to S&P 400 constituent companies 	<ul style="list-style-type: none"> • Maintain a mix of long-term incentive vehicles that is aligned to market practice and balances retention, shareholder alignment and performance • More closely align relative TSR peer group to Valvoline’s size as a standalone entity while maintaining broad industry representation

Deductibility of Compensation

Valvoline attempts to maximize the tax deductibility of the compensation paid to its executives. However, tax rules may limit the tax deductibility of certain types of non-performance based compensation paid to the NEOs.

Valvoline considers the tax deductibility of compensation awarded to the NEOs, and weighs the benefits of awarding compensation that may be non-deductible against the conditions required by the tax law to obtain tax deductibility. The Compensation Committee believes that in certain circumstances the benefits of awarding nondeductible compensation exceed the benefits of awarding deductible compensation that is subject to limitations imposed by the applicable tax laws.

In addition, Valvoline considers various other tax rules governing compensation for our NEOs including (but not limited to) tax rules relating to fringe benefits, qualified and non-qualified deferred compensation, and compensation triggered by a change in control.

Summary Compensation Table

The following table is a summary of compensation information for the fiscal 2017 for the Valvoline Named Executive Officers.

Name and Principal Position (a)	Year (b)	Salary (\$) (c)	Bonus (\$) (d)	Stock Awards (\$) (1) (e)	Option Awards (\$) (2) (f)	Non-Equity Incentive Compensation (\$) (3) (g)	Change in Pension Value and Non-Qualified Deferred Compensation Earnings (\$) (4) (h)	All Other Compensation (\$) (5) (i)	Total (\$) (j)
Samuel J. Mitchell Jr. Chief Executive Officer	2017	855,562	—	1,075,339	613,787	914,945	21,984	79,713	3,561,330
	2016	504,154	—	2,352,864	224,352	582,336	786,486	55,117	4,505,309
	2015	427,652	—	1,444,723	181,071	485,816	578,176	53,845	3,171,283
Mary E. Meixelsperger Chief Financial Officer	2017	535,000	—	860,793	328,758	386,444	—	172,831	2,283,826
	2016	144,038	—	517,365	—	135,505	—	20,838	817,746
Julie M. O'Daniel Senior Vice President, General Counsel and Corporate Secretary	2017	375,843	—	502,338	126,318	182,989	914	41,586	1,229,988
Craig A. Moughler Senior Vice President, International & Product Supply	2017	355,619	—	423,367	77,730	156,888	—	32,737	1,046,341
	2016	304,296	—	116,183	47,232	151,822	335,827	21,184	976,544
	2015	286,019	—	124,828	44,501	175,436	118,295	21,446	770,524
Anthony R. Puckett President, Quicklubes	2017	309,080	—	411,208	68,014	192,805	—	31,613	1,012,720

(1) The values in column (e) represent the aggregate grant date fair value of fiscal 2017-2019 PSUs and time-based RSUs computed in accordance with FASB ASC Topic 718. The assumptions made when calculating the amounts for column (e) and the grant date fair values can be found in the footnotes to the Grants of Plan-Based Awards table. Values reflected in this column include awards originally issued to the Valvoline NEOs under Ashland incentive plans prior to Valvoline's final Separation from Ashland.

The grant date fair value for the fiscal 2017-2019 PSUs for the NEOs receiving such awards would be as follows if the maximum performance was achieved for the 2017-2019 performance period: Mr. Mitchell—\$1,789,587; Ms. Meixelsperger—\$955,457; Ms. O'Daniel—\$363,984; Mr. Moughler—\$227,490; and Mr. Puckett—\$212,324.

(2) The values in column (f) represent the aggregate grant date fair value of SARs computed in accordance with FASB ASC Topic 718. In May 2017, outstanding SAR awards for the NEOs were converted into Valvoline-denominated SARs. Incremental fair value was calculated in accordance with FASB ASC Topic 718 for each of the NEOs as follows: Mr. Mitchell—\$281,097; Ms. Meixelsperger—\$45,514; Ms. O'Daniel—\$29,957; Mr. Moughler—\$40,366; and Mr. Puckett—43,211. The values in column (f) include the incremental value associated with SAR awards made during fiscal 2017.

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- (3) The values in column (g) represent the amounts earned with respect to fiscal 2017 annual incentive awards.
- (4) Neither Ashland's nor Valvoline's non-qualified deferred compensation arrangements provide above-market or preferential earnings; therefore, for fiscal 2017, the amounts in column (h) represent only the one-year change between September 30, 2016 and September 30, 2017 in the present value of accrued benefits under qualified and non-qualified defined benefit plans. These plans are more fully discussed in the narrative to the Pension Benefits table.
- (5) Amounts reported in column (i) for fiscal 2017 are composed of the following items:

	401(k) Plan Match (a)	Matching Charitable Contributions (b)	Valvoline Contribution to Non- Qualified Defined Contribution Plan (c)	Financial Planning	Moving Expenses	Other (d)	Total
S.J. Mitchell	\$ 40,272	\$ 19,688	\$ 3,659	\$ 15,000	\$ —	\$ 1,095	\$ 79,714
M.E. Meixelsperger	\$ 21,600	\$ 3,750	\$ 10,787	\$ 15,000	\$ 121,225	\$ 469	\$ 172,831
J.M. O'Daniel	\$ 26,844	\$ 394	\$ 5,602	\$ 8,507	\$ —	\$ 238	\$ 41,585
C.A. Moughler	\$ 31,545	\$ —	\$ 335	\$ 195	\$ —	\$ 662	\$ 32,737
A.R. Puckett	\$ 25,073	\$ 721	\$ —	\$ 5,450	\$ —	\$ 369	\$ 31,613

- (a) The amounts in this column represent combined contributions by Ashland and Valvoline to the accounts of each of the NEOs under the Ashland and Valvoline 401(k) plans. The NEOs were participants in the Ashland 401(k) plan prior to January 1, 2017.
- (b) The amounts in this column represent matching charitable contributions made by Valvoline on behalf of the NEO through a program available to all salaried US-based Valvoline employees.
- (c) The amounts in this column represent Valvoline contributions made on behalf of the NEO to the Valvoline Non-Qualified Defined Contribution Plan. This plan provides company contributions based on limitations on contributions to the Valvoline 401(k) plan based on limitations under the Internal Revenue Code.
- (d) The amounts in this column represent the value of life insurance premiums paid on behalf of the Valvoline NEOs. Through December 31, 2016, the named Executive Officers were eligible for company paid variable universal life policies. Beginning January 1, 2017, Valvoline no longer paid the premiums associated with these policies, and the NEOs were eligible to participate in the broad-based non-discriminatory group term life policy under the same terms as other Valvoline employees. For Mr. Mitchell, this includes \$687 in spousal travel expenses.

Grants of Plan-Based Awards for Fiscal 2017

The following table sets forth certain information regarding the annual and long-term incentive awards, SARs and RSUs awarded during fiscal 2017 to each of the Valvoline Named Executive Officers.

Name (a)	Grant Date (b)	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards (1)			Estimated Future Payouts Under Equity Incentive Plan Awards (2)			All Other Stock Awards: Number of Shares of Stock or Units (#) (3)	All Other Option Awards: Number of Securities Underlying Options (#) (4)	Exercise or Base Price of Option Awards (\$/Sh) (k)	Grant Date Fair Value of Stock and Option Awards (\$) (5)
		Threshold (\$) (c)	Target (\$) (d)	Maximum (\$) (e)	Threshold (#) (f)	Target (#) (g)	Maximum (#) (h)				
S.J. Mitchell	11/16/16	190,000	950,000	1,425,000							715,835
	11/16/16				5,952	31,744	79,361				359,505
	11/16/16							15,872			613,787
M.E. Meixelsperger		80,250	401,250	601,875					101,958	\$ 20.29	613,787
	11/16/16				3,178	16,948	42,371				382,183
	11/16/16							8,609			194,986
	11/16/16								54,611	\$ 20.29	328,758
J.M. O'Daniel	9/14/17							12,500			283,625
		38,000	190,000	285,000							
	11/16/16				1,211	6,456	16,141				145,593
	11/16/16							3,228			73,120
	11/16/16								20,983	\$ 20.29	126,318
C.A. Moughler	9/14/17							12,500			283,625
		35,000	175,000	262,500							
	11/16/16				757	4,035	10,088				90,996
	11/16/16							2,152			48,746
A.R. Puckett	11/16/16								12,912	\$ 20.29	77,730
	11/16/16										
	9/14/17							12,500			283,625
		31,000	155,000	232,500							
	11/16/16				706	3,766	9,416				84,930
	11/16/16							1,883			42,653
	11/16/16								11,298	\$ 20.29	68,014
	9/14/17							12,500			283,625

- (1) The dollar amounts in these columns represent the potential annual incentive payouts for fiscal 2017. The actual dollar amounts earned were paid in December 2017 and are included in column (g) in the fiscal 2017 row of the Summary Compensation Table.
- (2) The amounts in these columns represent potential payments for the fiscal 2017-2019 PSU performance period. The amounts in column (f) represent the minimum payout assuming the application of a negative 25% TSR modifier to threshold performance.
- (3) RSU awards made on November 16, 2016, vest one-third on each anniversary following the grant date. RSU awards made on September 14, 2017 vest in full on September 14, 2020.
- (4) The amounts in column (j) represent the number of shares of Valvoline common stock that may be issued to the NEOs upon exercise of SARs originally granted under Ashland incentive plans and converted to Valvoline denominated awards upon Valvoline's final Separation from Ashland.
- (5) The dollar amounts in column (l) are calculated in accordance with FASB ASC Topic 718 and assume (i) payment of PSUs at target (ii) valuation of all SARs using the Black-Scholes valuation model, (iii) the post-conversion grant date fair value of RSUs, and (iv) the grant date fair value of RSUs using the closing price of Valvoline common stock of \$22.69 on September 14, 2017.

Outstanding Equity Awards at Fiscal 2017 Year-End

The following table sets forth certain information regarding SARs, PSUs restricted shares and RSUs held by each of the Valvoline Named Executive Officers as of September 30, 2017.

Name (a)	Grant Date	Option Awards					Stock Awards				
		Number of Securities Underlying Unexercised Options Exercisable (1) (#) (b)	Number of Securities Underlying Unexercised Options (1) (#) (c)	Equity Incentive Plan Awards Number of Securities Underlying Unexercised Options (#) (d)	Equity Incentive Plan Awards Number of Securities Underlying Unexercised Options (#) (d) on Exercise (S) (e)	Option Expiration Date (f)	Number of Shares or Units of Stock That Have Not Vested (2) (#) (g)	Market Value of Shares or Units of Stock That Have Not Vested (2) (S) (h)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (3) (#) (i)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (3) (S) (j)	
S.J. Mitchell	11/16/16	—	101,958		20.29	12/16/2026					
	11/18/15	23,001	23,001		20.80	12/18/2025					
	11/12/14	23,808	7,936		20.99	12/12/2024					
	11/13/13	33,358			16.67	12/13/2023					
	11/14/12	61,874			13.08	12/14/2022					
	12/02/11	52,189			10.33	1/2/2022					
	11/17/10	50,037			9.64	12/17/2020	125,452	2,941,848			
M.E. Meixelsperger	11/16/16	—	54,611		20.29	12/16/2026			31,744	744,405	
							45,753	1,072,897			
J.M. O'Daniel	11/16/16	—	20,983		20.29	12/16/2026					
	11/18/15	2,555	2,556		20.80	12/18/2025					
	11/12/14	3,023	1,012		20.99	12/12/2024			16,948	397,436	
	11/13/13	4,304	—		16.67	12/13/2023					
							18,276	428,575			
C.A. Moughler	11/16/16	—	12,912		20.29	12/16/2026			6,456	151,404	
	11/18/15	4,842	4,842		20.80	12/18/2025					
	11/12/14	5,847	1,954		20.99	12/12/2024					
	11/13/13	8,070	—		16.67	12/13/2023					
	11/14/12	5,649	—		13.08	12/14/2022					
	12/02/11	6,456	—		10.33	1/2/2022					
							23,200	544,046			
A.R. Puckett	11/16/16	—	11,298		20.29	12/16/2026			4,035	94,628	
	11/18/15	4,842	4,842		20.80	12/18/2025					
	11/12/14	5,847	1,954		20.99	12/12/2024					
	11/13/13	8,070	—		16.67	12/13/2023					
	11/14/12	8,339	—		13.08	12/14/2022					
	12/02/11	7,263	—		10.33	1/2/2022					
	11/17/10	3,362	—		9.64	12/17/2020					
							22,928	537,668			
									3,766	88,319	

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- (1) The numbers in columns (b) and (c) relate to SARs, 50% of which vest on the first anniversary of the grant date and 25% of which vest on each of the second and third anniversaries of the grant date.
- (2) The numbers in column (g) and the dollar values in column (h) represent unvested restricted shares and RSUs, including time-based RSUs received based on final performance under both the fiscal 2015-2017 PSUs and the 2016-2018 PSUs. The time-based awards received from the 2015-2017 PSUs vest in November 2017. The time-based awards associated with the 2016-2018 PSUs and the EPIRP award vest in November 2018. Specifically, for:
 - (i) Mr. Mitchell, the amounts in columns (g) and (h) include the following: 2,614 restricted shares remaining from an award granted on November 12, 2014 and vesting on November 12, 2017; 15,864 time-based RSUs resulting from the conversion of 15-17 PSUs and vesting on November 12, 2017; 44,284 restricted shares awarded on July 15, 2015 and vesting on July 15, 2018; 6,088 RSUs awarded on November 18, 2015 and vesting in equal installments on each of the first three anniversaries of the grant date; 11,472 time-based RSUs resulting from the conversion of 16-18 PSUs and vesting on November 18, 2018; 29,083 restricted shares resulting from the conversion of Mr. Mitchell's EPIRP award originally granted on November 18, 2015 and vesting on November 18, 2018; and 16,047 RSUs awarded on November 16, 2016 and vesting in equal installments on each of the first three anniversaries of the grant date;
 - (ii) Ms. Meixelsperger, the amounts in columns (g) and (h) include the following: 24,549 restricted shares granted on June 20, 2016 and vesting one-third on June 20, 2018 and two-thirds on June 20, 2019; 8,704 RSUs awarded on November 16, 2016 and vesting in equal installments on each of the first three anniversaries of the grant date; and 12,500 RSUs awarded on September 14, 2017 and cliff vesting on September 14, 2020;
 - (iii) Ms. O'Daniel, the amounts in columns (g) and (h) include the following: 360 restricted shares remaining from an award granted on November 12, 2014 and vesting on November 12, 2017; 739 RSUs awarded on November 18, 2015 and vesting in equal installments on each of the first three anniversaries of the grant date; 1,413 time-based RSUs resulting from the conversion of 16-18 PSUs and vesting on November 18, 2018; 3,264 RSUs awarded on November 16, 2016 and vesting in equal installments on each of the first three anniversaries of the grant date; and 12,500 RSUs awarded on September 14, 2017 and cliff vesting on September 14, 2020;
 - (iv) Mr. Moughler, the amounts in columns (g) and (h) include the following: 642 restricted shares remaining from an award granted on November 12, 2014 and vesting on November 12, 2017; 4,113 time-based RSUs resulting from the conversion of 15-17 PSUs and vesting on November 12, 2017; 1,298 RSUs awarded on November 18, 2015 and vesting in equal installments on each of the first three anniversaries of the grant date; 2,471 time-based RSUs resulting from the conversion of 16-18 PSUs and vesting on November 18, 2018; 2,176 RSUs awarded on November 16, 2016 and vesting in equal installments on each of the first three anniversaries of the grant date; and 12,500 RSUs awarded on September 14, 2017 and cliff vesting on September 14, 2020; and
 - (v) Mr. Puckett, the amounts in columns (g) and (h) include the following: 642 restricted shares remaining from an award granted on November 12, 2014 and vesting on November 12, 2017; 4,113 time-based RSUs resulting from the conversion of 15-17 PSUs and vesting on November 12, 2017; 1,298 RSUs awarded on November 18, 2015 and vesting in equal installments on each of the first three anniversaries of the grant date; 2,471 time-based RSUs resulting from the conversion of 16-18 PSUs and vesting on November 18, 2018; 1,904 RSUs awarded on November 16, 2016 and vesting in equal installments on each of the first three anniversaries of the grant date; and 12,500 RSUs awarded on September 14, 2017 and cliff vesting on September 14, 2020
- (3) The numbers in column (i) represent the estimated PSUs granted for the 2017-2019 performance period assuming target performance goals are achieved. The dollar amounts in column (j) correspond to the units identified in column (i). The dollar value is computed by converting the units to shares of Valvoline common stock on a one-for-one basis. The number of shares is then multiplied by the closing price of Valvoline common stock of \$23.45 as reported on the NYSE on September 29, 2017.

Option Exercises and Stock Vested for Fiscal 2017

The following table sets forth certain information regarding the value realized by each Valvoline Named Executive Officer during fiscal 2017 upon the exercise of SARs and the vesting of PSUs, restricted shares and RSUs.

Name (a)	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (1) (#) (b)	Value Realized on Exercise (1) (\$) (c)	Number of Shares Acquired on Vesting (2) (3) (#) (d)	Value Realized on Vesting (2) (3) (\$) (e)
S.J. Mitchell	66,178	586,337	29,767	604,091
M.E. Meixelsperger	—	—	—	—
J.M. O’Daniel	5,923	42,586	1,085	22,029
C.A. Moughler	—	—	7,103	144,109
A.R. Puckett	—	—	7,103	144,109

- (1) The amounts in column (b) represent the gross number of shares of Valvoline common stock acquired on exercise of SARs. For all exercises, the number of shares reflected represents the post-conversion number of shares denominated in Valvoline common stock, regardless of exercise date. The amounts in column (c) represent the value realized on exercise.
- (2) The amounts in column (d) include post-conversion number of shares denominated in Valvoline common stock received from settlement of the fiscal 2014-2016 PSUs. The dollar amounts in column (e) includes the value of the fiscal 2014-2016 PSUs the date performance was certified based on a Valvoline common share price of \$20.29.
- (3) The amounts in column (d) also include the following number of shares received from the vesting of restricted shares and RSUs (denominated in post-conversion Valvoline units) that occurred during fiscal 2017
 - (vi) Mr. Mitchell received 5,740 shares on November 14, 2016, with the value included in column (e) using a price per share of \$20.12 and 2,984 shares on November 18, 2016, with the value included in column (e) using a price per share of \$20.66.
 - (vii) Ms. O’Daniel received 725 shares on November 14, 2016, with the value included in column (e) using a price per share of \$20.12 and 360 shares on November 18, 2016, with the value included in column (e) using a price per share of \$20.66.
 - (viii) Mr. Moughler received 1,376 shares on November 14, 2016, with the value included in column (e) using a price per share of \$20.12 and 626 shares on November 18, 2016, with the value included in column (e) using a price per share of \$20.66.
 - (ix) Mr. Puckett received 1,376 shares on November 14, 2016, with the value included in column (e) using a price per share of \$20.12 and 626 shares on November 18, 2016, with the value included in column (e) using a price per share of \$20.66

Pension Benefits for Fiscal 2017

The following table shows the actuarial present value of the Valvoline Named Executive Officers' (other than Ms. Meixelsperger) accumulated benefits under each of Valvoline's qualified and non-qualified pension plans, calculated as of September 30, 2017. Ms. Meixelsperger is not eligible to participate in the qualified and non-qualified pension plans.

Name (a)	Plan Name (1) (b)	Number of Years Credited Service (2) (#) (c)	Present Value of Accumulated Benefit (\$) (d)	Payments During Last Fiscal Year (\$) (e)
S.J. Mitchell	Ashland Hercules Pension Plan	18 years 5 months	234,883	
	Ashland Inc. Nonqualified Excess Benefit Pension Plan	18 years 5 months	86,786	
	Ashland Inc. Supplemental Early Retirement Plan for Certain Employees	19 years 5 months	4,191,193	
J.M. O'Daniel	Ashland Hercules Pension Plan	8 year 2 months	23,771	
C.A. Moughler	Ashland Hercules Pension Plan	27 year 6 months	1,444,271	
	Ashland Inc. Nonqualified Excess Benefit Pension Plan	27 year 6 months	73,653	
	Ashland Inc. Supplemental Early Retirement Plan for Certain Employees	20 years	872,047	
A.R. Puckett	Ashland Hercules Pension Plan	29 years	1,070,476	
	Ashland Inc. Nonqualified Excess Benefit Pension Plan	29 years	79,831	
	Ashland Inc. Supplemental Early Retirement Plan for Certain Employees	20 years	815,107	

- (1) The Ashland Hercules Pension Plan (the "Pension Plan") is a tax-qualified plan under Section 401(a) of the Code. The Ashland Inc. Nonqualified Excess Benefit Pension Plan (the "Excess Plan") is a non-qualified plan that is coordinated with the tax-qualified plan. The Ashland Inc. Supplemental Early Retirement Plan for Certain Employees (the "SERP") is a non-qualified plan. The material terms of each of these plans are described in the narrative below.
- (2) The maximum number of years of credited service under the SERP is 20 years. The number of years of service for the SERP is measured from the date of hire. The number of years of service under the Pension Plan and the Excess Plan is measured from the date the NEO began participating in the Pension Plan.

Assumptions

The present values of the accumulated benefits were calculated as of September 30, 2017, based on the earliest age a participant could receive an unreduced benefit under the qualified Pension Plan and the Excess Plan because his or her qualified Pension Plan benefits are calculated under the cash balance pension formula.

The SERP provides an umbrella (or gross) benefit that is subject to certain reductions. The amount in the Pension Benefits table for the SERP benefit for applicable Valvoline Named Executive Officers is the net benefit under the SERP, after applicable reductions. The reductions referred to in this paragraph are described in the "Ashland Inc. Supplemental Early Retirement Plan for Certain Employees (SERP)" section below.

Under the SERP, the earliest age a Valvoline named executive officer could receive a benefit is the earlier of age 55 or when the sum of the officer's age and service equals at least 80, provided that the officer has at least 20 years of service under the plan.

Post-Employment Obligations Following Separation

In conjunction with the Separation of Valvoline from Ashland, sponsorship of several qualified and non-qualified plans previously sponsored by Ashland were transferred to Valvoline as of September 1, 2016. As of September 30, 2016, benefits under these plans were frozen with regard to future accruals. The Ashland Hercules Pension Plan, the Ashland Inc. nonqualified Excess Benefit Pension Plan, and the Ashland Inc. Supplemental Early Retirement Plan for Certain Employees are discussed below based on the fact that each of the Valvoline Named Executive Officers, other than Ms. Meixelsperger, were participants in, and accumulated additional benefits under these plans during fiscal 2017.

Ashland Hercules Pension Plan (Pension Plan)

The Pension Plan is a tax-qualified defined benefit pension plan under Code Section 401(a). The Pension Plan provides retirement income for eligible participants. Beginning in January 2011, the Pension Plan was closed to new participants and to additional credits in the retirement growth account. Benefit accruals were frozen effective as of September 30, 2016.

The Pension Plan has two benefit formulas—a traditional formula, referred to as the annuity benefit, and a cash balance formula, referred to as the retirement growth account. The traditional formula produces an annuity benefit at retirement based on a percentage of final average compensation multiplied by years of plan service (see the description in the “—Traditional Benefit/Annuity Formula” section below). The cash balance formula produces a hypothetical account balance based on the sum of contribution credits and interest on those contribution credits (see the description in the “—Retirement Growth Account Benefit/Cash Balance Formula” section below). In general, participants who were actively employed by Ashland on June 30, 2003, with at least 10 years of service remained in the annuity benefit formula. All other participants moved to the retirement growth account formula. The formula under which a participant's benefit is computed is a matter of plan design and not participant election.

The Pension Plan operated in conjunction with the Ashland Inc. Leveraged Employee Stock Ownership Plan (the “LESOP”) for eligible participants. The LESOP transferred to Valvoline upon separation from Ashland. Effective May 1, 2017, Valvoline merged the LESOP into the Valvoline Inc. 401(k) Plan. Provisions for coordination with the Pension Plan remained unchanged.

Traditional Benefit/Annuity Formula

Under this formula, for certain highly compensated employees, compensation only includes base compensation, up to the maximum amount allowed under Code Section 401(a)(17). For all other participants, compensation includes bonus amounts. This applies to both the annuity formula and the cash balance formula.

The final average compensation formula is the average for a 48-consecutive month period producing the highest average for the last 120 months of credited service. For participants who were employees of Hercules prior to the acquisition, the final average compensation is the average for the 60-consecutive month period producing the highest average for the last 120 months of credited service.

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The annual annuity benefit formula is:

$$(1.08\% \times \text{final average compensation up to } \$10,700) + (1.5\% \times \text{final average compensation exceeding } \$10,700)$$

x

(years of credited service, which means years as a participant in the plan up to a maximum of 35 years)

For participants who were employees of Hercules prior to the acquisition, the annual annuity benefit formula is:

$$(1.2\% \times \text{final average compensation up to } \$53,400) + (1.6\% \times \text{final average compensation exceeding } \$53,400)$$

x

(years of credited service)

The normal form of benefit payment under the annuity benefit is a single life annuity. However, as required by federal law, the normal form of benefit for a married participant is a joint and survivor annuity, unless the spouse consents to a different benefit distribution. A participant may also elect a non-spousal joint and survivor annuity or a 10-year term certain annuity. All payment forms are actuarially equivalent.

The normal retirement age is 65, but an unreduced benefit is paid for retirement at age 62. A participant may retire early once the participant is either at least age 55 or when the sum of the participant's age and service equals at least 80.

Retirement Growth Account Benefit/Cash Balance Formula

Under this formula, contribution credits are accumulated in a notional account. Interest credits are allocated to each participant's account monthly. The interest rate is from a minimum of 4.0% to a maximum of 7.0% and is set at the beginning of each plan year. The interest rate for fiscal 2016 was 4.25%.

The accrued benefit under this formula is the balance in the retirement growth account. The benefit is payable in the same forms that apply to the annuity benefit formula or may be paid as a single lump sum.

The normal retirement age under the retirement growth account formula is also age 65. The earliest that a participant can receive an unreduced benefit is at age 55 with at least five years of service.

Non-Qualified Excess Defined Benefit Pension Plan ("Excess Plan") and Non-Qualified Supplemental Defined Contribution Plan ("NQDC Plan")

The Excess Plan is an unfunded, non-qualified plan providing a benefit payable, based on the applicable Named Executive Officer's pension plan eligibility, equal to the difference between the benefit under the Pension Plan in the absence of the Code limits (the gross benefit) and the actual benefit that would be payable under the Pension Plan.

The Excess Plan covers employees (i) who are eligible for the Pension Plan and whose benefit under the Pension Plan were limited because of either Code Section 401(a)(17) or Section 415(b) and (ii) who are not terminated for cause as defined in the Excess Plan. For purposes of computing the Excess Plan benefits, a participant's compensation is defined the same as it is for the Pension Plan. However, the limits on the compensation under the Pension Plan that are imposed by the Code do not apply under the Excess Plan.

The benefit under the Excess Plan is payable in a lump sum and may be transferred to the Employees' Deferral Plan. A benefit payable to certain highly compensated participants cannot be paid for six months following separation from service. Messrs. Mitchell, Moughler and Puckett participate in the Excess Plan. The Excess Plan was frozen effective September 30, 2016, in conjunction with the freezing of the Pension Plan.

The NQDC Plan is an unfunded, non-qualified plan that provides a contribution equivalent to Valvoline's match and supplemental company contributions on annual incentive compensation paid and eligible earnings in excess of limits established under Code Section 401(a)(17) not permitted in the qualified 401(k) plan. The account balance may be invested in the mutual funds available in the Employees' Deferral Plan (see "—Employee Deferral Plans" section below). The benefit payable under the NQDC Plan will be made in installments or as a lump sum based on a participant's distribution election. Named Executive Officers and certain other highly compensated participants are subject to a six-month delay on distributions on account of their separation from service.

Supplemental Early Retirement Plan for Certain Employees ("SERP")

The SERP is an unfunded, non-qualified plan allowing designated employees to retire prior to their sixty-fifth birthday without an immediate substantial loss of income. The SERP is a supplemental retirement arrangement for a select group of management participating in the SERP as of December 31, 2010. Beginning January 1, 2011, the eligibility for this program was restricted to employees with a traditional Pension Plan benefit who were subsequently promoted into an executive level position, on or after January 1, 2011. On November 18, 2015, the SERP was closed to all new participants.

In conjunction with the Separation of Valvoline from Ashland, sponsorship of the SERP was transferred to Valvoline as of September 1, 2016. As of September 30, 2016, benefits under the SERP were frozen with regard to future accruals. The final average compensation used in determining the value of a participant's benefit was fixed as of this date. Final average bonus as defined under the plan will include fiscal 2016 annual incentive payments made in December 2016.

The SERP benefit formula covering the applicable Named Executive Officers and certain other designated executive level participants provides a benefit of 25% of final average compensation multiplied by the participant's years of service up to 20 years. For this purpose, the final average compensation formula for participants as of December 30, 2010, is total compensation (base plus incentive compensation) for the 36 months out of the 84 months before retirement that produces the highest average. For Participants who became eligible on or after January 1, 2011, final average compensation is total compensation for the 60 months out of the 120 months before retirement that produces the highest average.

The applicable Named Executive Officers may retire on the earlier of age 55 with three years of service or when the sum of the executive's age and service equals at least 80. The benefit produced by the above described formula is subject to proportionate reduction for each year of service credited to the participant that is less than 20 years of service. Additionally, the benefit is reduced by the sum of the following:

- the participant's qualified Pension Plan benefit (assuming the LESOP offset account is transferred to the Pension Plan); and
- the participant's Excess Plan benefit.

SERP benefits become vested upon attaining three years of service. Messrs. Mitchell, Moughler and Mr. Puckett are vested in the SERP. Meses. Meixelsperger and O'Daniel are not eligible to participate in the SERP.

The SERP benefit is payable in a lump sum and may be transferred to the Employees' Deferral Plan. Distributions to the Named Executive Officers and certain other highly compensated participants are subject to a six-month delay after separation from service.

Non-Qualified Deferred Compensation for Fiscal 2017

The following table sets forth certain information for each of the Valvoline Named Executive Officers regarding non-qualified deferred compensation for fiscal 2017.

Name (a)	Executive Contributions in Last FY ⁽¹⁾ (\$) (b)	Registrant Contributions in Last FY ⁽²⁾ (\$) (c)	Aggregate Earnings/ (Investment Change) in Last FY ⁽³⁾ (\$) (d)	Aggregate Withdrawals/ Distributions in Last FY (\$) (e)	Aggregate Balance at September 30, 2017 (\$) (f)
S.J. Mitchell	63,942	3,659	700,805		7,974,820
M. E. Meixelsperger		10,209	881		11,090
J.M. O'Daniel		4,758	243		19,286
C.A. Moughler	48,288	335	87,417	(4,074)	709,846
A.R. Puckett	85,255		129,261		875,414

- (1) The values in column (b) relate to the deferral of a portion of compensation in fiscal 2017 and are included in the Summary Compensation Table.
- (2) The values in column (c) relate to a contribution equivalent to the company match and supplemental company contributions on annual incentive compensation and base pay in excess of limits established under Code Section 401(a)(17) and not permitted in the qualified 401(k) plan. This amount is reported in column (i) of the Summary Compensation Table (inclusive of taxes). For Messrs. Mitchell and Moughler, these values include discretionary company contributions in the amount of \$3,659 and \$335, respectively.
- (3) Aggregate earnings are composed of interest, dividends, capital gains and appreciation/depreciation of investment results. These earnings are not included in the Summary Compensation Table in this prospectus.

Employee Deferral Plans

In September 2016, our Board approved the Valvoline Inc. 2016 Deferred Compensation Plan for Employees (the “Valvoline Employee Deferral Plan”), which is described below.

Participants elect how to invest their account balances from among a diverse set of mutual fund offerings and a hypothetical Valvoline common stock fund. No guaranteed interest or earnings are available and there are no above market rates of return on investments in the plan. New investments in Valvoline common stock units must remain so invested and must be distributed as Valvoline common stock. In all other events, participants may freely elect to change their investments. Withdrawals are allowed for an unforeseeable emergency (lump sum payment sufficient to meet the emergency), disability (lump sum payment), upon separation from employment (payable as a lump sum or installments per election) and at a specified time (paid as a lump sum).

Potential Payments Upon Termination or Change in Control for Fiscal 2017 Table

The following table summarizes the estimated amounts payable to each Valvoline Named Executive Officer in the event of a termination from employment or change in control of Valvoline as of September 30, 2017. A narrative description follows the table. Different termination events are identified in columns (b)-(g). Column (a) enumerates the types of potential payments for each Valvoline Named Executive Officer. As applicable, each payment or benefit is estimated across the table under the appropriate column or columns.

These estimates are based on the assumption that the various triggering events occur on September 30, 2017, the last day of fiscal 2017. The equity incentive-based components are based on the closing price of Valvoline's common stock as of September 29, 2017 (\$23.45). Other material assumptions used in calculating the estimated compensation and benefits under each triggering event are noted below. The actual amounts that would be paid to a Valvoline named executive officer upon certain terminations of employment or upon a change in control can only be determined at the time an actual triggering event occurs.

Name/Kinds of Payments (a)	Termination prior to a Change in Control of Company without Cause (b) (\$)	Disability (6) (c) (\$)	Voluntary Resignation or Involuntary Termination for Cause (7) (d) (\$)	Retirement (8) (e) (\$)	Change in Control without Termination (9) (f) (\$)	Termination after Change in Control of Company without Cause or by Executive for Good Reason (10) (g) (\$)
S. J. Mitchell						
Cash severance	2,041,587					5,841,587
Accelerated SARs (1)					19,523	402,662
RS / RSUs					61,298	1,618,822
Performance-Restricted Stock (9)	681,996	681,996				681,996
PSUs (2)		889,164		889,164	372,011	1,385,434
Incentive compensation (3)	914,945	914,945		914,945	914,945	950,000
Welfare benefit	26,354					42,825
Outplacement	25,000					142,500
Financial planning						15,000
280G excise tax gross-up (4)						
Present value of retirement benefits (5)						
Total	\$ 3,689,882	\$ 2,486,105		\$ 1,804,109	\$ 1,367,777	\$ 11,080,826
M. E. Meixelsperger						
Cash severance	837,481					1,907,481
Accelerated SARs (1)						172,571
RS / RSUs						1,072,897
PSUs (2)		132,479				397,436
Incentive compensation (3)	386,444	386,444			386,444	401,250
Welfare benefit	19,765					26,354
Outplacement	25,000					25,000
Financial planning						
280G excise tax gross-up (4)						
Present value of retirement benefits (5)						
Total	\$ 1,268,690	\$ 518,923			\$ 386,444	\$ 4,002,989

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Name/Kinds of Payments(a)	Termination prior to a Change in Control of Company without Cause (\$ (b)	Disability (6) (\$ (c)	Voluntary Resignation or Involuntary Termination for Cause (7) (\$ (d)	Retirement (8) (\$ (e)	Change in Control (\$ (f)	Termination after Change in Control of Company without Cause or by Executive for Good Reason (\$ (g)
J.M. O'Daniel						
Cash severance (10)	783,885					1,353,885
Accelerated SARs (1)					2,490	75,569
RS / RSUs					8,442	395,440
PSUs (2)		83,603				184,539
Incentive compensation (3)	182,989	182,989			182,989	190,000
Welfare benefit	12,495					16,660
Outplacement	25,000					25,000
Financial planning						
280G excise tax gross-up (4)						
Present value of retirement benefits (5)						
Total	\$ 1,004,369	\$ 266,592			\$ 193,921	\$ 2,241,093
C.A. Moughler						
Cash severance	576,827					1,101,827
Accelerated SARs (1)					4,807	58,440
RS / RSUs					15,055	389,651
PSUs (2)		185,937		185,937	96,450	249,022
Incentive compensation (3)	156,588	156,588		156,588	156,588	175,000
Welfare benefit	14,021					18,695
Outplacement	25,000					25,000
Financial planning						
280G excise tax gross-up (4)						
Present value of retirement benefits (5)						
Total	\$ 772,736	\$ 342,825		\$ 342,825	\$ 273,200	\$ 2,017,635
A.R. Puckett						
Cash severance	508,519					973,519
Accelerated SARs (1)					4,807	53,340
RS / RSUs					15,055	383,273
PSUs (2)		183,835		183,835	96,450	242,714
Incentive compensation (3)	192,805	192,805		192,805	192,805	155,000
Welfare benefit	19,765					26,354
Outplacement	25,000					25,000
Financial planning						
280G excise tax gross-up (4)						
Present value of retirement benefits (5)						
Total	\$ 746,089	\$ 376,640		\$ 376,640	\$ 309,117	\$ 1,859,200

(1) A change in control without termination results in unvested SARs becoming immediately vested for SARs granted prior to July 2015. Beginning in fiscal 2016, grants of SARs were made under double-trigger award agreements.

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- (2) The PSU amounts identified in all of the columns except for column (g) are based on:

For 2017-2019 PSU awards : Pro-rata payments for the performance period at their respective targets. If one of the events represented by columns (b), (c) or (e) occurred, the pro-rata payments would be based on actual results, rather than target. Pursuant to the original terms of the award agreements, if the change in control occurs during the first twelve (12) months of the performance period, a pro-rata portion of the PSUs will become vested at target as of the date of the change in control (column (f)) and the remaining PSUs will be converted at target to time-based, stock-settled RSUs and continue to vest, subject to the participant's continued employment through the vesting date; provided that any such outstanding unvested RSUs will immediately vest upon the termination of the participant's employment without "cause," and not as a result of the participant's disability or death, during the one-year period beginning on the date of the change in control (column (g)). If the change in control occurs after the first twelve (12) months of the performance period, a pro-rata portion of the PSUs will become vested as of the date of the change in control based on the performance goals through the date of the change in control and the remaining PSUs will be converted to time-based, stock-settled RSUs, and will continue to vest, subject to the participant's continued employment through the vesting date; provided that any such outstanding unvested RSUs will immediately vest upon the termination of the participant's employment without cause, and not as a result of the Participant's disability or death, during the one-year period beginning on the date of the change in control.

For 2015-2017 and 2016-2018 PSU awards : The full value of the performance-affected 15-17 and 16-18 PSUs converted to time-based awards during fiscal 2017 as discussed in the section entitled "Compensation Decisions for Fiscal Year 2017" reflected in column (c) to the extent the NEO received a grant and column (e) for participating NEOs eligible under the definition of Qualifying Termination (age 55 with 10 years of continuous service) under the terms of the 2016 Valvoline Inc. Incentive Plan.

The PSU amounts identified in column (g) are based on the full value of (i) the outstanding 17-19 PSUs at target, and (ii) the converted 15-17 and 16-18 PSUs (to the extent the NEO received a grant) each valued based on the closing price of Valvoline common shares as of September 29, 2017.

- (3) The amounts identified in the Incentive Compensation row of columns (b), (c) and (e) represent a payment of the fiscal 2017 annual incentive compensation based on actual results for the entire performance period. Upon a change in control, the performance period relating to any incentive award will be accelerated and payment will be made based upon achievement of the performance goals up to the date of the change in control. The amounts identified in the Incentive Compensation row of column (f) reflect this payment, based on actual results for the fiscal year.
- (4) Section 280G of the Code applies if there is a change in control of Valvoline, compensation is paid to an NEO as a result of the change in control ("parachute payments"), and the present value of the parachute payments is 300% or more of the executive's "base amount," which equals the average W-2 income for the five-calendar-year period immediately preceding the change in control. If Section 280G applies, then the NEO is subject to an excise tax, under Section 4999(a) of the Code, equal to 20% of the amount of the parachute payments in excess of the base amount (the "excess parachute payments"), in addition to income and employment taxes. Moreover, Valvoline is denied a federal income tax deduction for the excess parachute payments. Each of the NEOs is covered by a Change in Control Agreement that provides for a "best-after-tax" cutback in the event the NEO is subject excise tax based on an excess parachute payment following a change in control. No Valvoline employees, including the NEOs, have change-in-control agreements that include gross-up provisions.
- (5) The present value of each applicable NEO's retirement benefits as of September 30, 2017 (absent a change in control), is set forth in the Pension Benefits table. The account balances in the Employees' Deferral Plan for each NEO as of September 30, 2017 are identified in the Non-Qualified Deferred Compensation table.
- (6) For purposes of column (c), it is assumed that the NEO incurred a disabling event and termination on September 30, 2017. Subject to coordination with other income received while disabled, the Long-Term Disability Plan provides a benefit equal to 60% of base compensation. The compensation covered by the plan is limited in 2017 to \$10,000 per month. If the NEO died, his beneficiaries would receive the same accelerated vesting of the PSUs as the NEO would in the event of disability.
- (7) Valvoline does not maintain any plans or arrangements that would provide additional or enhanced benefits to the NEOs solely as a result of a voluntary termination.
- (8) The values in this column represent benefits under the 2016 Valvoline Incentive Plan due upon a Qualifying Termination, defined as having reached age fifty-five (55) with ten years of continuous service at the time the NEO's employment with the Company terminates. As of September 30, 2017, only Messrs. Mitchell, Moughler, and Puckett met these requirements.
- (9) Mr. Mitchell's EPIRP award agreement contains change in control provisions governing the Executive Performance Incentive and Retention Program. If Mr. Mitchell terminates without "cause," due to death or disability or, solely, after a change in control, for "good reason," the award will vest in full.
- (10) The values in columns (b) and (g) include both severance payable under the Valvoline Severance Pay Plan and a retention bonus awarded to Ms. O'Daniel prior to Valvoline's separation from Ashland.

Severance Pay Plan

The Valvoline Named Executive Officers are covered by the Valvoline Severance Pay Plan, which provides benefits in the event of a covered termination from employment in the absence of a change in control. A termination for which benefits under the plan will be considered include those directly resulting from the

permanent closing of a facility, job discontinuance, termination by a participant for Good Reason (as defined in the plan), or other termination at Valvoline's initiative for which Valvoline elects to provide benefits. Certain terminations are excluded from coverage by the Severance Pay Plan (for example, refusal to sign a severance agreement and release; discharge for less than effective performance, absenteeism or misconduct; or voluntary resignation). In order for any executive to receive benefits and compensation payable under the Severance Pay Plan, the executive must agree to a general release of liability which relates to the period of employment and the termination.

The benefit payable under the Severance Pay Plan to the Valvoline Named Executive Officers is 78 weeks of base pay, except for Mr. Mitchell, whose benefit is 104 weeks of base pay. Payments will be made in bi-weekly increments over the severance period in accordance with the Company's regular payroll. Any executive who receives benefits under the plan is also entitled to continued coverage under the Company's group health plans via company-paid COBRA during the severance period.

Executive Change in Control Agreements

Mr. Mitchell has a change in control agreement. This agreement describes the payments and benefits to which Mr. Mitchell is entitled if terminated after a change in control. The agreement in effect as of September 30, 2017 is described below.

If, within two years after a Change in Control (as defined in the "Definitions" section below), Mr. Mitchell's employment is terminated as a result of a Qualifying Termination (as defined in the agreement):

- payment of three times the sum of his highest annual base compensation and highest target percentage annual incentive compensation in respect of the prior three fiscal years preceding the fiscal year in which the termination occurs in a lump sum paid in the seventh month following termination;
- continued participation in Valvoline's medical, dental and group life plans through December 31 of the third calendar year following the calendar year in which he was terminated;
- full payment at target in cash of any outstanding PSUs as of his termination (less any amounts already paid with regard to the PSUs because of the change in control);
- payment in cash of all prior existing incentive compensation not already paid and pro-rata payment of any incentive compensation for the fiscal year in which he terminates at target level;
- outplacement services and financial planning services for one year after termination;
- payment of all unused, earned and accrued vacation in a lump sum in the seventh month following termination; and
- immediate vesting of all outstanding restricted shares, RSUs, SARs and stock options.

As a condition to receiving the benefits and compensation payable under the agreement, Mr. Mitchell has agreed for a period of 36 months following termination following a change in control other than by reason of death or disability, for cause voluntary termination, absent prior written consent of Valvoline's General Counsel, to refrain from engaging in competitive activity against Valvoline; and to refrain from soliciting persons working for Valvoline, soliciting customers of Valvoline or otherwise interfering with Valvoline's business relationships. Pursuant to the agreement, Mr. Mitchell has also agreed not to disclose confidential information. If Mr. Mitchell breaches the agreement, Valvoline has the right to recover benefits that have been paid to him. Finally, Mr. Mitchell may recover legal fees and expenses incurred as a result of Valvoline's unsuccessful legal challenge to the agreement or Mr. Mitchell's interpretation of the agreement.

Mr. Mitchell's change in control agreement excludes all excise tax "gross-up" provisions and instead provides for a "best-after-tax" cutback.

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Each of the other Valvoline Named Executive Officers entered into change in control agreements, effective May 15, 2017. In the event of a Qualifying Termination (as defined within the agreements) within two years following a change in control, these benefits would include:

- payment of two times the sum of the NEO's annual base salary and target annual bonus
- continued participation in Valvoline's group health plans during the 24-month period immediately following a Qualifying Termination;
- payment in cash of all prior existing incentive compensation not already paid and pro-rata payment of any incentive compensation for the fiscal year in which the NEO terminates at target level;
- outplacement services and financial planning services for two years after termination;
- payment of all unused, earned and accrued vacation

As a condition to receiving the benefits and compensation payable under the agreements, the NEOs have agreed for a period of 24 months following a qualifying termination to refrain from engaging in competitive activity against Valvoline, including but not limited to solicitation of Valvoline employees and customers and non-disclosure of confidential information.

The benefits referenced above are reflected in the "Potential Payments upon Termination or Change in Control for Fiscal 2017" section of this prospectus.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Relationship with Ashland

Immediately prior to the completion of the IPO, we and Ashland entered several agreements relating to the IPO and our relationship with Ashland after the IPO. These agreements, the material terms of which are summarized below, include a separation agreement, a transition services agreement, a reverse transition services agreement, a tax matters agreement, a registration rights agreement and an employee matters agreement. These agreements were prepared while we were still a wholly owned subsidiary of Ashland. Accordingly, during the period in which the terms of those agreements were prepared, we did not have an independent board of directors or a management team that was independent of Ashland. As a result, the terms of the agreements may not reflect terms that would have resulted from arm's-length negotiations between unaffiliated third parties. Copies of these agreements have been incorporated by reference as exhibits to our Annual Report on Form 10-K for the year ended September 30, 2016, which was filed with the SEC on December 19, 2016. The following descriptions are qualified in their entirety by reference to the full text of such agreements.

Separation Agreement

On September 22, 2016, Valvoline entered into a separation agreement with Ashland to facilitate the separation of Valvoline and Ashland into two separate companies. The separation agreement sets forth the agreements between Valvoline and Ashland regarding the principal actions to be taken in connection with the Separation. It also sets forth other agreements that govern aspects of the relationship between Valvoline and Ashland following the Separation.

Transfer of Assets and Assumption of Liabilities. The separation agreement identifies certain transfers of assets and assumptions of liabilities that were necessary in advance of the Separation so that Valvoline and Ashland retain the assets of, and the liabilities associated with, their respective businesses. However, certain liabilities that are not associated with Ashland's and Valvoline's respective businesses have been allocated regardless of which business they are associated with (if any). For example, Valvoline has assumed responsibility for certain Ashland qualified and nonqualified pension and retirement plans as well as a portion of the trusts or other funding vehicles that have been established to fund such plans. Ashland has retained, or assumed from Valvoline, substantially all liabilities arising from or relating to the exposure of any person to asbestos from the manufacture, production, sale, distribution, conveyance or placement in the stream of commerce on or prior to the date of the Separation of any product or other item, as well as from repair, use, abatement or disposal on or prior to the date of the Separation of any building material or equipment containing asbestos, regardless of whether related to Ashland's business or Valvoline's business. In addition, Ashland has retained, or assumed from Valvoline, all environmental liabilities, known or unknown, arising from or relating to Ashland's business or any other historical business of Ashland, other than Valvoline's business, arising or relating to events, conduct or conditions occurring prior to, or after, the date of the Separation.

The separation agreement also provides for the settlement or extinguishment of certain liabilities and other obligations between Valvoline and Ashland.

Intercompany Arrangements. All agreements, arrangements, commitments and understandings, including most intercompany accounts payable or accounts receivable, between Valvoline, on the one hand, and Ashland, on the other hand, have terminated effective as of the Separation, except specified agreements and arrangements that are intended to survive the Separation.

Shared Liabilities. The tax matters agreement, employee matters agreement and shared environmental liabilities agreement describe certain liabilities that will be shared between Valvoline and Ashland following the Separation. These agreements respectively specify the portion of the economic costs of such liabilities between Valvoline and Ashland and establish a process for managing, defending and resolving, as well as sharing the costs related to, such liabilities between Valvoline and Ashland.

Representations and Warranties. In general, neither Valvoline nor Ashland have made any representations or warranties regarding any assets or liabilities transferred or assumed, any consents or approvals that may be required in connection with these transfers or assumptions, the value or freedom from any lien or other security interest of any assets transferred, the absence of any defenses relating to any claim of either party or the legal sufficiency of any conveyance documents. Except as expressly set forth in the separation agreement, all assets have been transferred on an “as is,” “where is” basis.

Further Assurances. Valvoline and Ashland have agreed to use reasonable best efforts to affect any transfers contemplated by the separation agreement that have not been consummated prior to the Separation as promptly as practicable. In addition, Valvoline and Ashland have agreed to use reasonable best efforts to affect any transfer or re-transfer of any asset or liability that was improperly transferred or retained as promptly as practicable following the Separation.

Exchange of Information. Valvoline and Ashland have agreed to provide each other with information reasonably necessary to comply with reporting, disclosure, filing or other requirements of any national securities exchange or governmental authority, for use in judicial, regulatory, administrative and other proceedings and to satisfy audit, accounting, regulatory, litigation and other similar requests. Valvoline and Ashland also have agreed to use reasonable best efforts to retain such information in accordance with Ashland’s record retention policies as in effect on the date of the separation agreement. Each party also has agreed to use its reasonable best efforts to assist the other with its financial reporting and audit obligation for an agreed period of time.

Release of Claims. Valvoline and Ashland each have agreed to release the other and its affiliates, successors and assigns, and all persons that prior to the Separation have been the other’s shareholders, directors, officers, agents and employees, and their respective heirs, executors, administrators, successors and assigns, from any claims against any of them that arise out of or relate to events, circumstances or actions occurring or failing to occur or any conditions existing at or prior to the time of the Separation. These releases are subject to exceptions set forth in the separation agreement.

Indemnification. Valvoline and Ashland each have agreed to indemnify the other and each of the other’s current and former directors, officers and employees, and each of the heirs, executors, successors and assigns of any of them, against certain liabilities incurred in connection with the Separation and Valvoline’s and Ashland’s respective businesses. The amount of either Valvoline’s or Ashland’s indemnification obligations will be reduced by any insurance proceeds the party being indemnified receives. The separation agreement also specifies procedures regarding claims subject to indemnification.

Transition Services Agreement

In order to help ensure an orderly transition, on September 22, 2016, Valvoline entered into a transition services agreement pursuant to which Ashland provides Valvoline with various corporate support services, including certain accounting, human resources, information technology, office and building, risk, security, tax and treasury services. Ashland may also provide Valvoline with additional services that Valvoline and Ashland may identify from time to time in the future. In general, the services began following the completion of the IPO and cover a period not expected to exceed 24 months.

Ashland agreed to perform the services with the same standard of quality and care as it uses in servicing its own business, and in any event with at least the same level of quality and care as such services were provided to the Valvoline business during the preceding year. Valvoline and Ashland agreed to cooperate in connection with the performance of the services, provided that such cooperation does not unreasonably disrupt Valvoline’s or Ashland’s operations, and Ashland agreed to use commercially reasonable efforts, at Valvoline’s expense, to obtain any third-party consents required for the performance of the services.

The services are being provided by Ashland without representation or warranty of any kind. Ashland has no liability with respect to its furnishing of the services except to the extent occasioned by its bad faith, willful misconduct, fraud, gross negligence or willful breach of the agreement.

Under the transition services agreement, Valvoline and Ashland are each obligated to maintain the confidentiality of the other's confidential information for five years following the termination of the transition services agreement, subject to certain exceptions. Valvoline and Ashland retain all rights, title and interest in and to their respective intellectual property used in the provision of services under the agreement.

The transition services agreement specifies the costs to Valvoline for the services. These costs are consistent with expenses that Ashland has historically allocated or incurred with respect to such services, plus a mark-up of five percent.

Reverse Transition Services Agreement

In order to help ensure an orderly transition, on September 22, 2016, Valvoline entered into a reverse transition services agreement pursuant to which Valvoline provides Ashland with various corporate support services, including certain human resources, information technology, office and building, security and tax services, as well as certain regulatory compliance services required during the period in which Valvoline remains a majority-owned subsidiary of Ashland. Valvoline may also provide Ashland with additional services that Valvoline and Ashland may identify from time to time in the future. In general, the services began following the completion of the IPO and cover a period not expected to exceed 24 months.

Valvoline agreed to perform the services with the same standard of quality and care as it uses in servicing its own business, and in any event with at least the same level of quality and care as such services were provided to Ashland's specialty ingredients and performance materials businesses (collectively, the "Chemicals business") during the preceding year. Valvoline and Ashland agreed to cooperate in connection with the performance of the services, provided that such cooperation does not unreasonably disrupt Valvoline's or Ashland's operations, and Valvoline agreed to use commercially reasonable efforts, at Ashland's expense, to obtain any third-party consents required for the performance of the services.

The services are being provided by Valvoline without representation or warranty of any kind. Valvoline has no liability with respect to its furnishing of the services except to the extent occasioned by Valvoline's bad faith, willful misconduct, fraud, gross negligence or willful breach of the agreement.

Under the reverse transition services agreement, Valvoline and Ashland are each obligated to maintain the confidentiality of the other's confidential information for five years following the termination of the reverse transition services agreement, subject to certain exceptions. Valvoline and Ashland retain all rights, title and interest in and to their respective intellectual property used in the provision of services under the agreement.

The reverse transition services agreement specifies the costs to Ashland for the services. These costs are consistent with expenses that Ashland has historically allocated or incurred with respect to such services, plus a mark-up of five percent.

Tax Matters Agreement

On September 22, 2016 Valvoline entered into a tax matters agreement with Ashland that governs the rights, responsibilities and obligations of Valvoline and Ashland with respect to all tax matters (including tax liabilities, tax attributes, tax returns and tax contests) (the "Tax Matters Agreement").

Valvoline was included in the U.S. federal consolidated group tax return, and possibly certain combined or similar group tax returns, with Ashland (the "Ashland Group Returns") for the period starting approximately on the date of the closing of the IPO and through the date of the Stock Distribution. This period is referred to as the "Interim Period." Under the Tax Matters Agreement, Ashland will generally make all necessary tax payments to the relevant tax authorities with respect to the Ashland Group Returns, and Valvoline will make tax sharing payments to Ashland. The amount of Valvoline's tax sharing payments will generally be determined as if

Valvoline and each of its relevant subsidiaries included in the Ashland Group Returns filed its own consolidated, combined or separate tax returns for the Interim Period that include only Valvoline and/or its relevant subsidiaries, as the case may be.

For taxable periods that begin on or after May 13, 2017, the day after the Stock Distribution, Valvoline is no longer included in any Ashland Group Returns and files tax returns that include only Valvoline and/or its subsidiaries, as appropriate. Valvoline is not required to make tax sharing payments to Ashland for those taxable periods. Nevertheless, Valvoline has joint and several liability with Ashland to the Internal Revenue Service for the consolidated U.S. federal income taxes of the Ashland consolidated group for the taxable periods in which Valvoline was part of the Ashland consolidated group.

The Tax Matters Agreement also generally provides that Valvoline will indemnify Ashland for the following taxes:

- Taxes of Valvoline for all taxable periods that begin on or after May 13, 2017, the day after the Stock Distribution;
- Taxes of Valvoline for the Interim Period that are not attributable to Ashland Group Returns;
- Taxes for any tax period prior to the completion of the IPO (the “Pre-IPO Period”) that arise on audit or examination and are directly attributable to the Valvoline business;
- Certain U.S. federal, state or local taxes for the Pre-IPO Period of Ashland and/or its subsidiaries for that period that arise on audit or examination and are directly attributable to neither the Valvoline business nor the Chemicals business; and
- Transaction Taxes (as described below) that are allocated to Valvoline under the Tax Matters Agreement.

The Tax Matters Agreement also provides that Valvoline will indemnify Ashland for any taxes (and reasonable expenses) resulting from the failure of the Stock Distribution to qualify for non-recognition of gain and loss or certain reorganization transactions related to the Separation or the Stock Distribution to qualify for their intended tax treatment (“Transaction Taxes”), where the taxes result from (1) breaches of covenants that Valvoline has agreed to in connection with these transactions (including covenants containing the restrictions described below that are designed to preserve the tax-free nature of the stock distribution), (2) the application of certain provisions of U.S. federal income tax law to the stock distribution with respect to acquisitions of Common Stock or (3) any other actions that Valvoline knows or reasonably should expect would give rise to such taxes. The Tax Matters Agreement also requires Valvoline to indemnify Ashland for a portion of certain other Transaction Taxes allocated to Valvoline based on its market capitalization relative to the market capitalization of Ashland.

Valvoline will generally have either sole control, or joint control with Ashland, over any audit or examination related to taxes for which Valvoline is required to indemnify Ashland.

The Tax Matters Agreement imposes certain restrictions on Valvoline and its subsidiaries (including restrictions on share issuances or repurchases, business combinations, sales of assets and similar transactions) that are designed to preserve the tax-free nature of the stock distribution. These restrictions will apply for the two-year period after the Stock Distribution. However, Valvoline will be able to engage in an otherwise restricted action if Valvoline obtains an appropriate opinion from counsel or ruling from the IRS.

Employee Matters Agreement

On September 22, 2016, Valvoline entered into an employee matters agreement with Ashland that addresses employment, compensation and benefits matters, including the allocation and treatment of assets and liabilities

relating to Valvoline's employees and the compensation and benefit plans and programs in which Valvoline's employees participated prior to the Stock Distribution, as well as other human resources, employment and employee benefit matters.

Employment-Related Liabilities. Valvoline generally has assumed responsibility for all employment-related liabilities of or relating to Valvoline's current and former employees and, to the extent incurred prior to August 1, 2016, former employees who were employed by a terminated, divested or discontinued Valvoline business, former U.S. employees of any other terminated, divested or discontinued business and former U.S. employees of a shared resource group.

Benefit and Welfare Plans. Following the completion of the IPO and prior to the Stock Distribution, Valvoline established benefit plans for its employees that generally recognize all service, compensation and other factors affecting benefit determinations to the same extent recognized under the corresponding Ashland benefit plan.

Pension and Retirement Plans. Valvoline has assumed responsibility for certain Ashland qualified and nonqualified pension and retirement plans as well as a portion of the trusts or other funding vehicles that have been established to fund such plans. Specifically, Valvoline has assumed all liabilities and assets relating to the Ashland Hercules Pension Plan, other than liabilities and assets relating to active employees who are covered by the Hopewell collective bargaining agreement. In addition, Valvoline has assumed responsibility for certain excess and supplemental pension plans and, prior to the stock distribution, Valvoline will assume responsibility for the portions of the Ashland nonqualified deferred compensation plans that relate to its employees and non-employee directors. Valvoline has established a 401(k) Plan and received a trust-to-trust transfer of its employees' account balances from the Ashland 401(k) plan.

Labor Matters . Valvoline has assumed and will comply with any collective bargaining arrangements that cover its employees.

Registration Rights Agreement

On September 22, 2016, Valvoline entered into a registration rights agreement with Ashland pursuant to which Valvoline has granted Ashland registration rights with respect to shares of Common Stock. Ashland may transfer these rights to any Ashland entity, or, in connection with an equity-for-debt exchange, to a third-party lender or any transferee that acquires at least 5% of the issued and outstanding shares of Common Stock and executes an agreement to be bound by the registration rights agreement.

Demand Registration Rights. The registration rights agreement provides that Ashland and its transferees have the right to require Valvoline to use its commercially reasonable efforts to effect an unlimited number of registrations of Common Stock; however, Valvoline is not obligated to effect any registration unless it covers shares of Common Stock with an aggregate fair market value of at least \$75 million.

The registration rights agreement requires Valvoline to pay the registration expenses in connection with each demand registration (other than any underwriting discounts and commissions and the fees, disbursements and expenses of the selling shareholder's counsel and accountants). Valvoline is not required to honor any of these demand registrations if Valvoline has effected a registration within the preceding 60 days. In addition, if Valvoline's general counsel determines, and its board of directors confirms, that in the good faith judgment of Valvoline's general counsel, filing a registration statement would be significantly disadvantageous to Valvoline (because such registration would require disclosure of material information for which Valvoline has a bona fide business purpose to preserve as confidential and the disclosure of which would have a material adverse effect on Valvoline or Valvoline is unable to comply with securities law requirements for effectiveness of such registration), Valvoline is entitled to delay filing such registration statement until the earlier of seven business days after the disadvantageous condition no longer exists and 75 days after Valvoline made such determination.

Piggyback Registration Rights. In addition to Valvoline’s obligations with respect to demand registrations, if Valvoline proposes to register any of its securities, other than a registration (1) on Form S-8 or Form S-4, (2) relating to equity securities in connection with employee benefit plans, or (3) in connection with an acquisition of or an investment in another entity by Valvoline, Valvoline will give each shareholder party to the registration rights agreement the right to participate in such registration. Valvoline is required to pay the registration expenses in connection with each of these registrations (other than any underwriting discounts and commissions and the fees, disbursements and expenses of the selling shareholder’s counsel and accountants). If the managing underwriters in a piggyback registration advise Valvoline that the number of securities offered to the public needs to be reduced, Valvoline shall include securities in such registration in accordance with the following priorities (1) the securities Valvoline proposes to sell, (2) up to the number of shares requested to be included in such registration by Ashland, (3) up to the number of shares requested to be included in such registration, pro rata among the selling holders (other than Ashland) and (4) up to the number of any other securities requested to be included in such registration.

Holdback Agreements. If any registration of Common Stock is in connection with an underwritten public offering, each holder of unregistered Common Stock party to the registration rights agreement will agree not to effect any public sale or distribution of any Common Stock during the seven days prior to, and during the 90-day period beginning on, the effective date of such registration statement.

Related Person Transaction Policy

Federal securities laws require us to describe any transaction since the beginning of the last fiscal year, or any currently proposed transaction, in which the Company was or is to be a participant and the amount involved exceeds \$120,000, and in which any related person had or will have a direct or indirect material interest. Related persons are directors and executive officers, nominees for director and any immediate family members of directors, executive officers or nominees for director. We are also required to describe our policies and procedures for the review, approval or ratification of any Related Person Transaction.

Pursuant to our written Related Person Transaction Policy (the “Policy”), the G&N Committee is responsible for reviewing the material facts of all transactions that could potentially be “transactions with related persons.” The Policy covers any transaction, arrangement or relationship or series of similar transactions, arrangements or relationships (including any indebtedness or guarantee of indebtedness) in which (1) the aggregate amount involved will or may be expected to exceed \$120,000 in any fiscal year, (2) the Company is a participant, and (3) any related person has or will have a direct or indirect interest (other than solely as a result of being a director or a less than 10% beneficial owner of another entity). Transactions between the Company and any firm, corporation or entity in which a related person is an executive officer or general partner, or in which any related persons collectively hold more than 10% of the ownership interests, are also subject to review under the Policy.

Under the Policy, our directors and executive officers are required to identify annually potential transactions with related persons or their firms that meet the criteria set forth in the Policy, and management is required to forward all such disclosures to the G&N Committee. The G&N Committee reviews each disclosed transaction. The G&N Committee has discretion to approve, disapprove or otherwise act if a transaction is deemed to be a Related Person Transaction subject to the Policy. Only disinterested members of the G&N Committee may participate in the determinations made with regard to a particular transaction. If it is impractical to convene a meeting of the G&N Committee, the Chair of the G&N Committee is authorized to make a determination and promptly report such determination in writing to the other G&N Committee members. All determinations made under the Policy are required to be reported to the full Board.

Under the Policy and consistent with SEC regulations, certain transactions are not Related Person Transactions, even if such transactions exceed \$120,000 in a fiscal year. Those exceptions are:

- Compensation to a director or executive officer which is or will be disclosed in our Proxy Statement;

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- Compensation to an executive officer which is approved by the Compensation Committee and would have been disclosed in our Proxy Statement if the executive officer was a “named executive officer”;
- A transaction in which the rates or charges involved are determined by competitive bids, or which involves common, contract carrier or public utility services at rates or charges fixed in conformity with law or governmental authority;
- A transaction that involves services as a bank depository of funds, transfer agent, registrar, indenture trustee or similar services; and
- A transaction in which the related person’s interest arises solely from the ownership of Valvoline stock and all shareholders receive the same benefit on a pro rata basis.

Other than the transactions with Ashland described herein, the G&N Committee determined that there were no other Related Person Transactions that were required to be reported under Item 404(a) of Regulation S-K, nor are there any currently proposed.

THE EXCHANGE OFFERS

Purpose and Effect of the Exchange Offer

The Company and the Subsidiary Guarantors entered into the Registration Rights Agreements with the initial purchasers named therein in which they agreed, under certain circumstances, to use commercially reasonable efforts to file registration statements relating to offers to exchange the Restricted Notes for Exchange Notes and consummate such exchange offers on or prior to December 31, 2017 with respect to the 2024 Restricted Notes and on or prior to August 8, 2018 with respect to the 2025 Restricted Notes. The Exchange Notes will have terms identical in all material respects to the Restricted Notes of the same series, except that the Exchange Notes are registered under the Securities Act and will not contain restrictions on transfer or provisions relating to additional interest, will bear a different CUSIP number from the Restricted Notes of the same series and will not entitle their holders to registration rights. The 2024 Restricted Notes were issued on July 20, 2016 and the 2025 Restricted Notes were issued on August 8, 2017.

If you wish to exchange your outstanding Restricted Notes for Exchange Notes in the exchange offers, you will be required to make the following written representations:

- you are not our affiliate within the meaning of Rule 405 of the Securities Act or, if you are such an affiliate, you will comply with the registration and prospectus delivery requirements of the Securities Act, to the extent applicable;
- you are not participating, and you have no arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of the Exchange Notes in violation of the provisions of the Securities Act;
- if you are a broker dealer, you have not entered into any arrangement or understanding with us or any of our affiliates to distribute the Exchange Notes;
- you are acquiring the Exchange Notes in the ordinary course of your business; and
- you are not acting on behalf of any person or entity that could not truthfully make these representations.

Each broker-dealer that receives Exchange Notes for its own account in exchange for outstanding Restricted Notes, where the broker-dealer acquired the outstanding Restricted Notes as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. See “Plan of Distribution.”

Registration Rights Agreements

We entered into the Registration Rights Agreements with the initial purchasers named therein on September 26, 2016 and August 8, 2017, respectively. In the Registration Rights Agreements, we agreed for the benefit of the holders of the Restricted Notes that we will use our commercially reasonable efforts to file with the SEC and cause to become effective this registration statement relating to offers to exchange the 2024 Restricted Notes and the 2025 Restricted Notes for an issue of SEC-registered 2024 Exchange Notes and 2025 Exchange Notes respectively, with terms identical to the respective series of Restricted Notes (except that each series of Exchange Notes will not be subject to restrictions on transfer or to any increase in annual interest rate as described below).

When the SEC declares this registration statement effective, we will offer Exchange Notes in return for Restricted Notes. The exchange offers will remain open for at least 20 business days after the date we mail notice of such exchange offers to noteholders. For each Restricted Note surrendered to us under the exchange offers, the holder who surrendered such Restricted Note will receive an Exchange Note of equal principal amount. Interest on each Exchange Note will accrue from the last interest payment date on which interest was paid on the respective series of Restricted Notes or, if no interest has been paid on the respective series of Restricted Notes, from the original issue date of the Restricted Notes.

If applicable law or interpretations of the staff of the SEC do not permit us to effect the exchange offers, or for any reason we do not consummate the exchange offers on or before December 31, 2017 with respect to the 2024 Restricted Notes and August 8, 2018 with respect to the 2025 Restricted Notes, we have agreed to use our commercially reasonable efforts to cause to become effective a shelf registration statement relating to resales of Restricted Notes and to keep that shelf registration statement effective until the date that is one year after the shelf registration statement is declared effective, or such shorter period that will terminate when all Restricted Notes covered by the shelf registration statement have been sold. We will, in the event of such a shelf registration, provide to each noteholder copies of a prospectus, notify each noteholder when the shelf registration statement has become effective and take certain other actions to permit resales of Restricted Notes. A noteholder that sells Restricted Notes under the shelf registration statement generally will be required to be named as a selling security holder in the related prospectus and to deliver a prospectus to purchasers, will be subject to certain of the civil liability provisions under the Securities Act in connection with those sales and will be bound by the provisions of the registration rights agreement that is applicable to such noteholder (including certain indemnification obligations).

If the exchange offers are not completed (or, if required, the shelf registration statement is not declared effective) on or before December 31, 2017 with respect to the 2024 Restricted Notes and August 8, 2018 with respect to the 2025 Restricted Notes, or if any registration statement required by the Registration Rights Agreements has been declared effective but ceases to be effective at any time at which it is required to be effective (each such event, a “registration default”), the annual interest rate borne by such series of Restricted Notes will be increased by 0.25% per annum for the first 90-day period immediately following such registration default and by an additional 0.25% per annum for each subsequent 90-day period, up to a maximum additional interest rate of 0.50% per annum, until the respective exchange offers are completed or the shelf registration statement is declared effective. Following the cure of all registration defaults, additional interest will cease to accrue and the interest rate shall revert to the original interest rate unless a new registration default shall occur.

If we effect the exchange offers, we will be entitled to close the exchange offers 20 business days after their commencement, provided that we have accepted all Restricted Notes validly surrendered in accordance with the terms of the exchange offers. Restricted Notes not tendered in the exchange offer shall bear interest at the rate set forth on the cover page of this prospectus and be subject to all the terms and conditions specified in the applicable indenture, including transfer restrictions.

This summary of the provisions of the Registration Rights Agreement does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the respective Registration Rights Agreements, copies of which are filed as exhibits to this registration statement.

Terms of the Exchange Offer

On the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal, the Company will accept for exchange in the exchange offers any outstanding Restricted Notes that are validly tendered and not validly withdrawn prior to the Expiration Date. Outstanding Restricted Notes may only be tendered in a minimum denomination of \$2,000 and integral multiples of \$1,000 in excess of \$2,000. No alternative, conditional or contingent tenders will be accepted. Holders who tender less than all of their Restricted Notes must continue to hold Restricted Notes in the minimum authorized denomination of \$2,000 principal amount. The Company will issue Exchange Notes in principal amounts identical to the outstanding Restricted Notes surrendered in the exchange offers.

The form and terms of the Exchange Notes will be identical in all material respects to the form and terms of the Restricted Notes except that the Exchange Notes will be registered under the Securities Act, will not bear legends restricting their transfer and will not provide for any additional interest upon our failure to fulfill our obligations under the Registration Rights Agreements to complete the exchange offers, or file, and cause to be effective, a shelf registration statement, if required thereby, within the specified time period. The Exchange

Notes will evidence the same debt as the Restricted Notes. The Exchange Notes will be issued under and entitled to the benefits of the same indentures that authorized the corresponding series of Restricted Notes. For a description of the indentures governing the Exchange Notes, see “Description of the 2024 Exchange Notes” and “Description of 2025 Exchange Notes.” The exchange offers are not conditioned upon any minimum aggregate principal amount of outstanding Restricted Notes being tendered for exchange.

As of the date of this prospectus, \$375,000,000 aggregate principal amount of the 2024 Restricted Notes and \$400,000,000 aggregate principal amount of the 2025 Restricted Notes are outstanding. This prospectus and the accompanying letter of transmittal are being sent to all registered holders of Restricted Notes. There will be no fixed record date for determining registered holders of outstanding Restricted Notes entitled to participate in the exchange offers. The Company intends to conduct the exchange offers in accordance with the provisions of the Registration Rights Agreements, the applicable requirements of the Securities Act and the Exchange Act and the rules and regulations of the SEC. Outstanding Restricted Notes that are not tendered for exchange in the exchange offers will remain outstanding and continue to accrue interest and will be entitled to the rights and benefits such holders have under the indentures relating to such holders’ outstanding Restricted Notes and the Registration Rights Agreements except we will not have any further obligation to you to provide for the registration of the outstanding Restricted Notes under the Registration Rights Agreements.

The Company will be deemed to have accepted for exchange properly tendered outstanding Restricted Notes when it has given oral or written notice of the acceptance to the exchange agent. The exchange agent will act as agent for the tendering holders for the purposes of receiving the Exchange Notes from us and delivering Exchange Notes to holders. Subject to the terms of the Registration Rights Agreements, the Company expressly reserves the right to amend or terminate the exchange offers and to refuse to accept the occurrence of any of the conditions specified below under “—Conditions to the Exchange Offers.”

If you tender your outstanding Restricted Notes in the exchange offers, you will not be required to pay brokerage commissions or fees or, subject to the instructions in the accompanying letter of transmittal, transfer taxes with respect to the exchange of Restricted Notes. We will pay all charges and expenses, other than certain applicable taxes, in connection with the exchange offer. It is important that you read the section “—Fees and Expenses” below for more details regarding fees and expenses incurred in the exchange offer.

Expiration Date; Extensions; Termination; Amendments

The exchange offers expire at 12:00 midnight, New York City time, on _____, 2017, unless we extend the exchange offers, in which case the Expiration Date will be the latest date and time to which we extend the exchange offers.

We expressly reserve the right, so long as applicable law allows:

- to delay our acceptance of Restricted Notes for exchange;
- to terminate the exchange offers if any of the conditions set forth under “—Conditions to the Exchange Offers” exist;
- to waive any condition to the exchange offers;
- to amend any of the terms of the exchange offers; and
- to extend the Expiration Date and retain all Restricted Notes tendered in the exchange offers, subject to your right to withdraw your tendered Restricted Notes as described under “—Withdrawal of Tenders.”

Any waiver or amendment to the exchange offers will apply to all Restricted Notes tendered, regardless of when or in what order the Restricted Notes were tendered. If the exchange offers are amended in a manner that we think constitutes a material change, or if we waive a material condition of the exchange offers, we will

promptly disclose the amendment or waiver in a manner reasonably calculated to inform the holders of Restricted Notes of the amendment or waiver, and we will extend the exchange offers to the extent required by Rule 14-e under the Exchange Act.

We will promptly follow any delay in acceptance, termination, extension or amendment by oral or written notice of the event to the exchange agent, followed promptly by oral or written notice to the registered holders. Should we choose to delay, extend, amend or terminate the exchange offers, we will have no obligation to publish, advertise or otherwise communicate this announcement, other than by making a timely release to a financial news service.

In the event we terminate the exchange offers, all Restricted Notes previously tendered and not accepted for payment will be returned promptly to the tendering holders.

In the event that the exchange offers are withdrawn or otherwise not completed, Exchange Notes will not be given to holders of Restricted Notes who have validly tendered their Restricted Notes.

Acceptance of Restricted Notes for Exchange

In all cases, the Company will promptly issue Exchange Notes for outstanding Restricted Notes that it has accepted for exchange under the exchange offers only after the exchange agent timely receives:

- outstanding Restricted Notes or a timely book-entry confirmation of such outstanding Restricted Notes into the exchange agent's account at DTC; and
- a properly completed and duly executed letter of transmittal and all other required documents or a properly transmitted agent's message.

By tendering outstanding Restricted Notes pursuant to the exchange offers, you will represent to us that, among other things:

- you are not our affiliate within the meaning of Rule 405 of the Securities Act or, if you are such an affiliate, you will comply with the registration and prospectus delivery requirements of the Securities Act, to the extent applicable;
- you are not participating, and you have no arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of the Exchange Notes in violation of the provisions of the Securities Act;
- if you are a broker-dealer, you have not entered into any arrangement or understanding with us or any of our affiliates to distribute the Exchange Notes;
- you are acquiring the Exchange Notes in the ordinary course of your business; and
- you are not acting on behalf of any person or entity that could not truthfully make these representations.

In addition, each broker-dealer that is to receive Exchange Notes for its own account in exchange for outstanding Restricted Notes must represent that such outstanding Restricted Notes were acquired by that broker-dealer as a result of market-making activities or other trading activities and must acknowledge that it will deliver a prospectus that meets the requirements of the Securities Act in connection with any resale of the Exchange Notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. See "Plan of Distribution."

The Company will interpret the terms and conditions of the exchange offers, including the letter of transmittal and the instructions to the letter of transmittal, and will resolve all questions as to the validity, form,

eligibility, including time of receipt, and acceptance of outstanding Restricted Notes tendered for exchange. Our determinations in this regard will be final and binding on all parties. The Company reserves the absolute right to reject any and all tenders of any particular outstanding Restricted Notes not properly tendered or not to accept any particular Restricted Notes if the acceptance might, in its or its counsel's judgment, be unlawful. We also reserve the absolute right to waive any defects or irregularities as to any particular outstanding Restricted Notes prior to the Expiration Date.

Unless waived, any defects or irregularities in connection with tenders of outstanding Restricted Notes for exchange must be cured within such reasonable period of time as we determine. None of the Company, the exchange agent or any other person will be under any duty to give notification of any defect or irregularity with respect to any tender of outstanding Restricted Notes for exchange, nor will any of them incur any liability for any failure to give notification. Any outstanding Restricted Notes received by the exchange agent that are not properly tendered and as to which the irregularities have not been cured or waived will be returned by the exchange agent to the tendering holder, unless otherwise provided in the letter of transmittal, promptly after the Expiration Date.

Procedures for Tendering Restricted Notes

To tender your outstanding Restricted Notes in the exchange offers, you must comply with either of the following:

- complete, sign and date the letter of transmittal, or a facsimile of the letter of transmittal, have the signature(s) on the letter of transmittal guaranteed if required by the letter of transmittal and mail or deliver such letter of transmittal or facsimile thereof to the exchange agent at the address set forth on the inside back cover of this prospectus prior to the Expiration Date; or
- comply with the procedures of the Automated Tender Offer Program of the DTC described below.

In addition, either:

- the exchange agent must receive certificates for outstanding Restricted Notes along with the letter of transmittal prior to the Expiration Date; or
- the exchange agent must receive a timely confirmation of book-entry transfer of outstanding Restricted Notes into the exchange agent's account at DTC according to the procedures for book-entry transfer described below or a properly transmitted agent's message prior to the Expiration Date.

Your tender, if not withdrawn prior to the Expiration Date, constitutes an agreement between us and you upon the terms and subject to the conditions described in this prospectus and in the letter of transmittal.

If you wish to exchange your outstanding Restricted Notes for Exchange Notes in the exchange offers, you will be required to make the written representations as set forth in "—Purpose and Effect of the Exchange Offers."

The method of delivery of outstanding Restricted Notes, letters of transmittal and all other required documents to the exchange agent is at your election and risk. We recommend that instead of delivery by mail, you use an overnight or hand delivery service, properly insured. In all cases, you should allow sufficient time to assure timely delivery to the exchange agent before the Expiration Date. You should not send letters of transmittal or certificates representing outstanding Restricted Notes to us. You may request that your broker, dealer, commercial bank, trust company or nominee effect the above transactions for you.

If you are a beneficial owner whose outstanding Restricted Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your outstanding Restricted Notes, you should promptly contact your registered holder and instruct the registered holder to tender on your behalf.

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Signatures on the letter of transmittal or a notice of withdrawal, as the case may be, must be guaranteed by a member firm of a registered national securities exchange or of the Financial Industry Regulatory Authority, Inc., a commercial bank or trust company having an office or correspondent in the United States or another “eligible guarantor institution” within the meaning of Rule 17A(d)-15 under the Exchange Act unless the outstanding Restricted Notes surrendered for exchange are tendered:

- by a registered holder of the outstanding Restricted Notes who has not completed the box entitled “Special Registration Instructions” or “Special Delivery Instructions” on the letter of transmittal; or
- for the account of an eligible guarantor institution.

If the letter of transmittal is signed by a person other than the registered holder of any Restricted Notes listed on the outstanding Restricted Notes, such outstanding Restricted Notes must be endorsed or accompanied by a properly completed bond power. The bond power must be signed by the registered holder as the registered holder’s name appears on the outstanding Restricted Notes, and an eligible guarantor institution must guarantee the signature on the bond power.

If the letter of transmittal, any certificates representing outstanding Restricted Notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, those persons should also indicate when signing and, unless waived by us, they should also submit evidence satisfactory to us of their authority to so act.

The exchange agent and DTC have confirmed that any financial institution that is a participant in DTC’s system may use DTC’s Automated Tender Offer Program to tender Restricted Notes. Participants in the program may, instead of physically completing and signing the letter of transmittal and delivering it to the exchange agent, electronically transmit their acceptance of the exchange by causing DTC to transfer the Restricted Notes to the exchange agent in accordance with DTC’s Automated Tender Offer Program procedures for transfer. DTC will then send an agent’s message to the exchange agent. The term “agent’s message” means a message transmitted by DTC, received by the exchange agent and forming part of the book-entry confirmation, which states that:

- DTC has received an express acknowledgment from a participant in its Automated Tender Offer Program that is tendering outstanding Restricted Notes that are the subject of the book- entry confirmation;
- the participant has received and agrees to be bound by the terms of the letter of transmittal; and
- we may enforce that agreement against such participant.

Book-Entry Transfer

The exchange agent will seek to establish a new account or utilize an existing account with respect to the Restricted Notes at DTC promptly after the date of this prospectus. Any financial institution that is a participant in the DTC system and whose name appears on a security position listing as the owner of the Restricted Notes may make book-entry delivery of Restricted Notes by causing DTC to transfer such Restricted Notes into the exchange agent’s account. The confirmation of a book-entry transfer of Restricted Notes into the exchange agent’s account at DTC is referred to in this prospectus as a “book-entry confirmation.” Delivery of documents to DTC in accordance with DTC’s procedures does not constitute delivery to the exchange agent.

Other Matters

Exchange Notes will be issued in exchange for Restricted Notes accepted for exchange only after timely receipt by the exchange agent of:

- certificates for (or a timely book-entry confirmation with respect to) your Restricted Notes;

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- a properly completed and duly executed letter of transmittal or facsimile thereof with any required signature guarantees, or, in the case of a book-entry transfer, an agent's message; and
- any other documents required by the letter of transmittal.

We will determine, in our sole discretion, all questions as to the form of all documents, validity, eligibility, including time of receipt, and acceptance of all tenders of Restricted Notes. There will be no guaranteed delivery procedures for the exchange offers. Our determination will be final and binding on all parties. Alternative, conditional or contingent tenders of Restricted Notes will not be considered valid. **We reserve the absolute right to reject any or all tenders of Restricted Notes that are not in proper form or the acceptance of which, in our opinion, would be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to particular Restricted Notes.**

Our interpretation of the terms and conditions of the exchange offers, including the instructions in the accompanying letter of transmittal, will be final and binding.

Any defect or irregularity in connection with tenders of Restricted Notes must be cured within the time we determine, unless waived by us. We will not consider the tender of Restricted Notes to have been validly made until all defects and irregularities have been waived by us or cured. None of the Company, the exchange agent or any other person will be under any duty to give notice of any defects or irregularities in tenders of Restricted Notes, or will incur any liability to holders for failure to give any such notice.

Withdrawal of Tenders

Except as otherwise provided in this prospectus, you may withdraw your tender of Restricted Notes at any time prior to the Expiration Date.

For a withdrawal to be effective:

- the exchange agent must receive a written notice of withdrawal at the address set forth on the inside of the back cover of this prospectus; or
- you must comply with the appropriate procedures of DTC's Automated Tender Offer Program system.

Any notice of withdrawal must:

- specify the name of the person who tendered the Restricted Notes to be withdrawn;
- identify the Restricted Notes to be withdrawn, including the certificate numbers and principal amount of the Restricted Notes;
- be signed by the person who tendered the Restricted Notes in the same manner as the original signature on the letter of transmittal, including any required signature guarantees; and
- specify the name in which the Restricted Notes are to be re-registered, if different from that of the withdrawing holder.

If Restricted Notes have been tendered pursuant to the procedure for book-entry transfer described above, any notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn Restricted Notes and otherwise comply with the procedures of DTC.

We will determine in our sole discretion all questions as to validity, form, eligibility and time of receipt of any withdrawal notices. Our determination will be final and binding on all parties. We will deem any Restricted Notes so withdrawn not to have been validly tendered for exchange for purposes of the exchange offers.

Any Restricted Notes that have been tendered for exchange but that are not exchanged for any reason will be returned to their holder without cost to the holder or, in the case of Restricted Notes tendered by book-entry transfer into the exchange agent's account at DTC according to the procedures described above, such Restricted Notes will be credited to an account maintained with DTC for the Restricted Notes. This return or crediting will take place promptly after withdrawal, rejection of tender or termination of the exchange offers. You may retender properly withdrawn Restricted Notes by following one of the procedures described under "—Procedures for Tendering Restricted Notes" at any time on or prior to the Expiration Date.

Conditions to the Exchange Offer

Despite any other term of the exchange offers, the Company will not be required to accept for exchange, or to issue Exchange Notes in exchange for, any outstanding Restricted Notes and it may terminate or amend the exchange offers as provided in this prospectus prior to the Expiration Date if in its reasonable judgment:

- the exchange offers or the making of any exchange by a holder violates any applicable law or interpretation of the SEC;
- any action or proceeding has been instituted or threatened in writing in any court or by or before any governmental agency with respect to the exchange offers that, in our judgment, would reasonably be expected to impair our ability to proceed with the exchange offers; or
- any law, rule or regulation or applicable interpretations of the staff of the SEC have been issued or promulgated, which, in our good faith determination, does not permit us to effect either exchange offers.

In addition, the Company will not be obligated to accept for exchange the outstanding Restricted Notes of any holder that has not made to us:

- the representations described under "—Purpose and Effect of the Exchange Offers," "—Procedures for Tendering Restricted Notes" and "—Acceptance of Restricted Notes for Exchange"; or
- any other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to make available to us an appropriate form for registration of the Exchange Notes under the Securities Act.

The Company expressly reserves the right at any time or at various times to extend the period of time during which the exchange offers is open. Consequently, the Company may delay acceptance of any Restricted Notes by giving oral or written notice of such extension to their holders. The Company will return any outstanding Restricted Notes that it does not accept for exchange for any reason without expense to their tendering holder promptly after the expiration or termination of the exchange offers.

The Company expressly reserves the right to amend or terminate the exchange offers and to reject for exchange any outstanding Restricted Notes not previously accepted for exchange, upon the occurrence of any of the conditions to the exchange offers specified above. The Company will give oral or written notice of any extension, amendment, non-acceptance or termination of the exchange offers to the holders of the outstanding Restricted Notes as promptly as practicable. In the case of any extension of the exchange offers, such notice will be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date.

These conditions are for our sole benefit, and the Company may assert them regardless of the circumstances that may give rise to them or waive them in whole or in part at any or at various times prior to the Expiration Date in our sole discretion. If the Company fails at any time to exercise any of the foregoing rights, this failure will not constitute a waiver of such right. Each such right will be deemed an ongoing right that it may assert at any time or at various times prior to the Expiration Date.

In addition, the Company will not accept for exchange any outstanding Restricted Notes tendered, and will not issue Exchange Notes in exchange for any such outstanding Restricted Notes, if at such time any stop order is threatened or in effect with respect to the registration statement of which this prospectus constitutes a part or the qualification of the indentures governing the Exchange Notes under the Trust Indenture Act of 1939, as amended.

Consequences of Failing to Exchange

If you do not exchange your Restricted Notes for Exchange Notes in the exchange offers, you will remain subject to the restrictions on transfer of the Restricted Notes:

- as set forth in the legend printed on the Restricted Notes as a consequence of the issuance of the Restricted Notes pursuant to the exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws; and
- otherwise set forth in the offering memoranda distributed in connection with the private offerings of the Restricted Notes.

In general, you may not offer or sell the Restricted Notes unless they are registered under the Securities Act, or if the offer or sale is exempt from registration under the Securities Act and applicable state securities laws. Upon completion of the exchange offers, we are under no obligation to, and do not intend to, register resales of the outstanding Restricted Notes under the Securities Act.

Accounting Treatment

The Exchange Notes will be recorded at the same carrying value as the Restricted Notes, as reflected in our accounting records on the date of the exchange. Accordingly, we will not recognize any gain or loss for accounting purposes upon the consummation of the exchange offers. The expenses of the exchange offers and the unamortized expenses related to the issuance of the Restricted Notes will be amortized over the term of the Exchange Notes.

Exchange Agent

U.S. Bank National Association has been appointed as exchange agent for the exchange offers. You should direct questions and requests for assistance, requests for additional copies of this prospectus, the letter of transmittal or any other documents to the exchange agent. You should send certificates for Restricted Notes, letters of transmittal and any other required documents to the exchange agent at the address set forth on the inside of the back cover of this prospectus.

Information Agent

U.S. Bank National Association has been appointed as information agent for the exchange offers. Questions concerning tender procedures and requests for additional copies of this prospectus or the letter of transmittal should be directed to the information agent at the address and telephone number set forth on the inside of the back cover of this prospectus. Holders of Restricted Notes may also contact their commercial bank, broker, dealer, trust company or other nominee for assistance concerning the exchange offers.

Resale of Exchange Notes

Based on interpretations by the SEC set forth in no-action letters issued to third parties, we believe that you may resell or otherwise transfer Exchange Notes issued in the exchange offers without complying with the registration and prospectus delivery provisions of the Securities Act, if:

- you are not our affiliate within the meaning of Rule 405 of the Securities Act;

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- you are not participating, and you have no arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of the Exchange Notes in violation of the provisions of the Securities Act;
- if you are a broker dealer, you have not entered into any arrangement or understanding with us or any of our affiliates to distribute the Exchange Notes; and
- you are acquiring the Exchange Notes in the ordinary course of your business.

If you are our affiliate, or are engaging in, or intend to engage in, or have any arrangement or understanding with any person to participate in, a distribution of the Exchange Notes, or are not acquiring the Exchange Notes in the ordinary course of your business:

- You cannot rely on the position of the SEC set forth in *Morgan Stanley & Co. Incorporated* (available June 5, 1991) and *Exxon Capital Holdings Corporation* (available May 13, 1988), as interpreted in the SEC's letter to Shearman & Sterling, dated July 2, 1993, and similar no-action letters; and
- in the absence of an exception from the position stated immediately above, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any secondary resale transaction of the Exchange Notes, in which case the registration statement must contain the selling security holder information required by Item 507 or Item 508, as applicable, of Regulation S-K of the SEC.

This prospectus may be used for an offer to resell, resale or other transfer of Exchange Notes only as specifically set forth in this prospectus. With regard to broker-dealers, only broker-dealers that acquired the outstanding Restricted Notes as a result of market-making activities or other trading activities may participate in the exchange offers. Each broker-dealer that receives Exchange Notes for its own account in exchange for outstanding Restricted Notes, where such outstanding Restricted Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of the Exchange Notes. Please read "Plan of Distribution" for more details regarding the transfer of Exchange Notes.

Fees and Expenses

We will bear the expenses of soliciting tenders pursuant to the exchange offers. The principal solicitation for tenders pursuant to the exchange offer is being made by electronic transmission. Additional solicitations may be made by our officers and regular employees and our affiliates in person, by telecopy, mail or telephone.

We will not make any payments to brokers, dealers or other persons soliciting acceptances of the exchange offers. We will, however, pay the exchange agent reasonable and customary fees for its services and will reimburse the exchange agent for its related reasonable out-of-pocket expenses and accounting and legal fees.

We may also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this prospectus, letters of transmittal and related documents to the beneficial owners of the unregistered notes and in handling or forwarding tenders for exchange.

We will pay all transfer taxes applicable to the transfer and exchange of Restricted Notes pursuant to the exchange offers. If, however:

- delivery of the Exchange Notes and/or certificates for Restricted Notes for principal amounts not exchanged, are to be made to any person other than the record holder of the Restricted Notes tendered;
- tendered certificates for Restricted Notes are recorded in the name of any person other than the person signing any letter of transmittal; or

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- a transfer tax is imposed for any reason other than the transfer and exchange of Restricted Notes to us or our order,

the amount of any such transfer taxes, whether imposed on the record holder or any other person, will be payable by the tendering holder prior to the issuance of the Exchange Notes. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the letter of transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

DESCRIPTION OF 2024 EXCHANGE NOTES

Certain terms used in this “Description of 2024 Exchange Notes” are defined under the subheading “Certain Definitions.” In this “Description of 2024 Exchange Notes,” (1) the term “the Company” refers only to Valvoline Inc., a Kentucky corporation, and not to any of its subsidiaries, and (2) the terms “we,” “our” and “us” each refer to the Company and its consolidated Subsidiaries.

The Company will issue the 2024 Exchange Notes under the indenture dated as of July 20, 2016 (the “Original 2024 Indenture” and as amended by the First Supplemental Indenture dated as of September 26, 2016, the “2024 Indenture”) among itself, the Guarantors (as defined below) and U.S. Bank National Association, as trustee (the “Trustee”). On July 20, 2016, Finco Two, then a wholly owned subsidiary of Ashland, issued \$375.0 million aggregate principal amount of the 2024 Restricted Notes under the Original 2024 Indenture, which were guaranteed by Ashland. The 2024 Restricted Notes were issued in a private transaction that was not subject to the registration requirements of the Securities Act. Finco Two thereafter merged with and into the Company, with the Company as the surviving corporation, and the Company assumed the obligations of Finco Two under the Original 2024 Indenture, the 2024 Restricted Notes and the Senior Secured Credit Facilities (the “Assumption”) on September 26, 2016 (the “Assumption Date”). Upon consummation of the Assumption, Ashland’s guarantee of the 2024 Restricted Notes was automatically and unconditionally released, and following the Assumption, the Company and its Restricted Subsidiaries have been subject to the covenants and other terms and provisions of the 2024 Indenture and the 2024 Restricted Notes. The terms of the 2024 Exchange Notes to be issued in the exchange offers are substantially identical to the 2024 Restricted Notes, except that the transfer restrictions, registration rights and additional interest provision relating to the 2024 Restricted Notes will not apply to the 2024 Exchange Notes. In this section, the “Notes” refers to the 2024 Exchange Notes offered by this prospectus, any 2024 Restricted Notes that are outstanding after the exchange offers are completed and any Additional Notes (as defined below); and the “Indenture” refers to the 2024 Indenture. The terms of the Notes will be those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act.

The following description is a summary of the material provisions of the Notes and the Indenture and does not purport to be complete and is qualified in its entirety by reference to the provisions of the Indenture, including the definitions therein of certain terms used below. We urge you to read the Indenture because it, not this “Description of 2024 Exchange Notes,” will define your rights as Holders of the Notes. You may request a copy of the Indenture at our address set forth under the heading “Where You Can Find More Information.”

Brief Description of the Notes

The Notes:

- will be unsecured unsubordinated obligations of the Company;
- will be effectively subordinated to any existing or future Secured Indebtedness of the Company (including the Company’s existing and future Obligations under the Senior Secured Credit Facilities) to the extent of the value of the collateral securing such Secured Indebtedness;
- will be structurally subordinated to all existing and future Indebtedness, claims of holders of Preferred Stock and other liabilities of the Company’s Subsidiaries that do not guarantee the Notes;
- will rank equal in right of payment with all existing and future Senior Indebtedness of the Company, including the Company’s existing and future Obligations under the Senior Secured Credit Facilities;
- will be senior in right of payment to any future Subordinated Indebtedness of the Company; and
- will be guaranteed on an unsecured unsubordinated basis by the Guarantors, as described under “—Guarantees.”

As of the date of this prospectus, all of the Company’s Subsidiaries will be “Restricted Subsidiaries.” However, under certain circumstances, the Company is permitted to designate certain of its subsidiaries as

“Unrestricted Subsidiaries.” Any Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture and will not guarantee the Notes.

Guarantees

The Notes will be guaranteed on an unsecured unsubordinated basis by each of the Company’s direct and indirect Domestic Restricted Subsidiaries that guarantees the Senior Secured Credit Facilities. Except as set forth in the next paragraph, the Guarantors, as primary obligors and not merely as sureties, will jointly and severally, fully and unconditionally guarantee, on an unsecured unsubordinated basis, the performance and full and punctual payment when due, whether at maturity, by acceleration or otherwise, of all obligations of the Company under the Indenture and the Notes, whether for payment of principal of, or any premium or interest on or in respect of, the Notes, expenses, indemnification or otherwise, on the terms set forth in the Indenture by executing such Indenture.

Each Restricted Subsidiary, that (a) incurs or guarantees any Indebtedness under the Senior Secured Credit Facilities or (b) other than a Foreign Subsidiary or Foreign Subsidiary Holding Company of the Company, guarantees other Indebtedness of the Company or any Guarantor in an aggregate principal amount in excess of \$25.0 million, will guarantee the Notes. As of the date of this prospectus, none of our Foreign Subsidiaries or Foreign Subsidiary Holding Companies will guarantee the Notes, and no Foreign Subsidiaries or Foreign Subsidiary Holding Companies are expected to Guarantee the Notes in the future.

Each of the Guarantees of the Notes:

- will be a senior unsecured unsubordinated obligation of each Guarantor;
- will be effectively subordinated to any existing or future Secured Indebtedness of such Guarantor (including any Subsidiary Guarantor’s guarantee of the Senior Secured Credit Facilities) to the extent of the value of the collateral securing such Indebtedness;
- will be structurally subordinated to all existing and future Indebtedness, claims of holders of Preferred Stock and other liabilities of Subsidiaries of such Guarantor that do not guarantee the Notes;
- will rank equal in right of payment with all existing and future Senior Indebtedness of each such Guarantor, including any Subsidiary Guarantor’s existing and future Obligations under the Senior Secured Credit Facilities; and
- will be senior in right of payment to all existing and future Subordinated Indebtedness of each such Guarantor.

Not all of the Company’s Subsidiaries will be required to guarantee the Notes. In the event of a bankruptcy, liquidation, reorganization or similar proceeding of any of these non-guarantor Subsidiaries, the non-guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Company or any Subsidiary Guarantor. As a result, all of the existing and future liabilities of these non-guarantor Subsidiaries, including any claims of trade creditors, will be effectively senior to the Notes.

Each Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by that entity without rendering the Guarantee, as it relates to such entity, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally. This provision may not, however, be effective to protect a Guarantee from being voided under fraudulent transfer law, or may reduce the applicable Guarantor’s obligation to an amount that effectively makes its Guarantee worthless. Any entity that makes a payment under its Guarantee will be entitled upon payment in full of all guaranteed obligations under the Indenture to a contribution from each other Guarantor in an amount equal to such other Guarantor’s pro rata portion of such payment based on the respective net assets of all the Guarantors at the time of such payment determined in accordance with GAAP. If a Guarantee were rendered voidable, it could be

subordinated by a court to all other indebtedness and other obligations (including guarantees and other contingent liabilities) of the Guarantor, and, depending on the amount of such indebtedness and other obligations, a Guarantor's liability on its Guarantee could be reduced to zero. See "Risk Factors—Risks Related to the Exchange Notes—Federal and state statutes may allow courts, under specific circumstances, to void the Exchange Notes and the Subsidiary Guarantees, subordinate claims in respect of the Exchange Notes and the Subsidiary Guarantees and/or require holders of the Exchange Notes to return payments received from Valvoline."

A Guarantee by a Subsidiary Guarantor will provide by its terms that it will be automatically and unconditionally released and discharged with respect to the Notes, without further action required on the part of the Subsidiary Guarantor, the Trustee or any holder of Notes, upon:

- (a) any direct or indirect sale, exchange, transfer or other disposition (by merger, consolidation or otherwise) of the Capital Stock of such Subsidiary Guarantor, after which the applicable Subsidiary Guarantor is no longer a Restricted Subsidiary, if such sale, exchange, transfer or other disposition is not in violation of the applicable terms of the Indenture;
- (b) the release or discharge of the Indebtedness or guarantee of Indebtedness by such Subsidiary Guarantor that resulted in the creation of such Guarantee except a release or discharge by or as a result of payment under such guarantee (it being understood that a release subject to a contingent reinstatement will constitute a release for the purposes of this provision); *provided* that at the time of such release or discharge, such Subsidiary Guarantor is not then a guarantor or an obligor in respect of any other Indebtedness that would require it to provide a Guarantee of the Notes under the Indenture;
- (c) the sale, exchange, transfer or other disposition of all or substantially all of the assets of such Subsidiary Guarantor, in a transaction that is not in violation of the applicable terms of the Indenture, to any Person who is not (either before or after giving effect to such transaction) the Company or a Domestic Restricted Subsidiary;
- (d) the release or discharge of such Subsidiary Guarantor from its guarantee, and of all pledges and security, if any, granted by such Subsidiary Guarantor in connection with the Senior Secured Credit Facilities, except a release or discharge by or as a result of payment under such guarantee (it being understood that a release subject to a contingent reinstatement will constitute a release for the purposes of this provision); *provided* that at the time of such release or discharge, such Subsidiary Guarantor is not then a guarantor or an obligor in respect of any other Indebtedness that would require it to provide a Guarantee of the Notes under the Indenture;
- (e) the designation of any Restricted Subsidiary that is a Subsidiary Guarantor as an Unrestricted Subsidiary in accordance with the provisions set forth under "—Certain Covenants—Limitation on Restricted Payments" and the definition of "Unrestricted Subsidiary";
- (f) the merger or consolidation of any Subsidiary Guarantor with and into the Company or another Guarantor or upon the liquidation of such Subsidiary Guarantor following the transfer of all of its assets to the Company or another Subsidiary Guarantor; or
- (g) the Company exercising its defeasance option or covenant defeasance option with respect to the Notes as described under "—Legal Defeasance and Covenant Defeasance" or the Company's obligations under the Indenture being discharged with respect to the Notes in accordance with the terms of the Indenture; or

and, in the case of clauses (a) through (g) above, such Subsidiary Guarantor delivering to the Trustee an Officer's Certificate and opinion stating that all conditions precedent provided for in the Indenture relating to the release of such Guarantee shall have been complied with.

Upon request of the Company or the applicable Subsidiary Guarantor, the Trustee shall evidence such release by a supplemental indenture or other instrument which may be executed by the Trustee without the consent of any Holder of the Notes.

Ranking

The payment of the principal of, premium, if any, and interest on the Notes and the payment of any Guarantee will rank equal in right of payment with all Senior Indebtedness of the Company or the relevant Guarantor, as the case may be, including the Obligations of the Company and such Subsidiary Guarantor under the Senior Secured Credit Facilities, the 2025 Exchange Notes and the 2025 Restricted Notes. The ranking of the Notes and the Guarantees is more fully described above under “—Brief Description of the Notes” and “—Guarantees.”

Secured Indebtedness of the Company (including the Company’s obligations in respect of the Senior Secured Credit Facilities) will be effectively senior to the Notes to the extent of the value of the collateral securing such Indebtedness. As of September 30, 2017, we had approximately \$362 million of secured indebtedness outstanding and an additional \$436 million of unutilized borrowing capacity under the revolver portion of the Senior Secured Credit Facilities, all of which was or would be secured indebtedness.

All of our operations are conducted through our Subsidiaries. Some of our Subsidiaries, including all of our Foreign Subsidiaries and all of our Foreign Subsidiary Holding Companies, are not guaranteeing the Notes as described above under “—Guarantees.” In addition, our future Subsidiaries may not be required to guarantee the Notes. Claims of creditors of such non-guarantor Subsidiaries, including trade creditors and creditors holding Indebtedness of such non-guarantor Subsidiaries, and claims of holders of Preferred Stock of such non-guarantor Subsidiaries, generally will have priority with respect to the assets and earnings of such non-guarantor Subsidiaries over the claims of our creditors, including holders of the Notes. Accordingly, the Notes will be effectively subordinated to creditors (including trade creditors) and holders of Preferred Stock, if any, of our non-guarantor Subsidiaries. As of September 30, 2017, our non-guarantor Subsidiaries had approximately \$189 million of indebtedness and other liabilities, including \$75 million of borrowings under a \$125 million trade receivables securitization facility, and an additional \$50 million of unutilized borrowing capacity under the trade receivables securitization facility.

Although the Indenture will contain limitations on the amount of additional Indebtedness that the Company and the Restricted Subsidiaries may incur, under certain circumstances the amount of such Indebtedness could be substantial. The Indenture will not limit the amount of liabilities that are not considered Indebtedness that may be incurred by the Company or its Restricted Subsidiaries, including the non-guarantor Subsidiaries. See “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock.”

Paying Agent and Registrar for the Notes

The Company will maintain a paying agent for the Notes. The initial paying agent for the Notes will be the Trustee. The paying agent will make payments on the Notes on behalf of the Company. The paying agent will hold all cash and securities for the benefit of the Trustee and the respective Holders.

The Company will also maintain a registrar with respect to the Notes. The initial registrar for the Notes will be the Trustee. The registrar will maintain a register reflecting ownership of the Notes outstanding from time to time and facilitate transfers of Notes on behalf of the Company.

The Company may change the paying agent or the registrar without prior notice to the Holders. The Company or any of its Subsidiaries may act as a paying agent or registrar with respect to the Notes.

Transfer and Exchange

A Holder may transfer or exchange Notes in accordance with the Indenture. The registrar and the Trustee may require a Holder to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes. Holders will be required to pay all taxes due on transfer. The Company will not be required to transfer or exchange any Note selected for redemption. Also, the Company will not be required to transfer or exchange any Note for a period of 30 days before a selection of Notes to be redeemed.

Principal, Maturity and Interest

Upon completion of this offering, \$375.0 million aggregate principal amount of Notes will remain outstanding. The Notes will mature on July 15, 2024. Subject to compliance with the covenants described below under the caption “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock,” the Company may issue additional Notes from time to time after this offering under the Indenture (any such additional Notes, for purposes of this Description of 2024 Exchange Notes, “Additional Notes”). Except as otherwise provided in the Indenture, the Notes offered hereby and any Additional Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including waivers, amendments, redemptions and offers to purchase; *provided* that if the Additional Notes are not fungible with the Notes for United States federal income tax purposes, such Additional Notes will have a separate CUSIP number. Unless otherwise specified, or the context requires otherwise, references to “Notes” for all purposes of the Indenture and this “Description of 2024 Exchange Notes” include any additional Notes that are actually issued. The Company will issue the Notes in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

Interest on the Notes will accrue at the rate of 5.500% per annum. Interest on the Notes will be payable semiannually in arrears on January 15 and July 15 of each year, commencing on January 15, 2017, to the holders of record of those Notes on the immediately preceding January 1 or July 1, as applicable. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from and including the issue date of the Notes. Interest on the Notes will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Principal of, premium, if any, and interest on the Notes will be payable at the office or agency of the Company maintained for such purpose or, at the option of the Company, payment of interest may be made by check mailed to the Holders of the Notes at their respective addresses set forth in the register of Holders; *provided* that all payments of principal, premium, if any, and interest with respect to the Notes represented by one or more global notes registered in the name of or held by DTC or its nominee will be made by wire transfer of immediately available funds to the accounts specified by the Holder or Holders thereof. Until otherwise designated by the Company, the Company’s office or agency will be the office of the Trustee maintained for such purpose. If the due date for any payment in respect of the Notes is not a Business Day at the place at which such payment is due to be paid, the holder thereof will not be entitled to payment of the amount due until the next succeeding Business Day at such place, and will not be entitled to any interest or other payment as a result of any such delay.

Mandatory Redemption; Offers to Purchase; Acquisition of Notes

We are not required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, we may be required to offer to purchase Notes as described under “—Repurchase at the Option of Holders.” We may, and our affiliates may, at any time and from time to time, acquire Notes by means other than a redemption, including by tender offer, open market purchases, negotiated transactions or otherwise (including in connection with a consent solicitation).

Optional Redemption

At any time prior to July 15, 2019, the Company may redeem all or a part of the Notes upon notice as described under “—Selection and Notice” below, at a redemption price equal to 100% of the principal amount of Notes to be redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

On and after July 15, 2019, the Company may redeem the Notes, in whole or in part, upon notice as described under the heading “—Selection and Notice” below, at the redemption prices (expressed as percentages

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of principal amount of the Notes to be redeemed) set forth below, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date, if redeemed beginning on July 15 of the years indicated below:

<u>Date</u>	<u>Percentage</u>
2019	104.125%
2020	102.750%
2021	101.375%
2022 and thereafter	100.000%

In addition, until July 15, 2019, the Company may, at its option, on one or more occasions, redeem up to 40% of the aggregate principal amount of Notes issued by it at a redemption price equal to 105.500% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date, with the net cash proceeds of one or more Equity Offerings; *provided* that at least 60% of the aggregate principal amount of the Notes originally issued under the Indenture (calculated after giving effect to any issuance of Additional Notes) remains outstanding immediately after the occurrence of each such redemption; *provided further* that each such redemption occurs within 90 days of the date of closing of the applicable Equity Offering.

Notwithstanding the foregoing, in connection with any tender offer for all of the outstanding Notes at a price of at least 100% of the principal amount of the Notes tendered, plus accrued and unpaid interest thereon to, but excluding, the applicable tender settlement date (including any Change of Control Offer), if Holders of not less than 90% in aggregate principal amount of the Notes validly tender and do not withdraw such Notes in such tender offer and the Company, or any third party making such a tender offer in lieu of the Company, purchases all of the Notes validly tendered and not withdrawn by such Holders, the Company or such third party will have the right, upon not less than 30 nor more than 60 days' prior notice, given not more than 30 days following such purchase date, to redeem all Notes that remain outstanding following such purchase at a price equal to the price offered to each other Holder in such tender offer plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, thereon, to, but excluding, the date of redemption.

Selection and Notice

Notices of redemption shall be delivered electronically or mailed by first-class mail, postage prepaid, at least 30 but not more than 60 days before the applicable date of redemption to each Holder of Notes to be redeemed at such Holder's registered address or otherwise in accordance with the procedures of DTC with respect to the Notes, except that redemption notices may be delivered more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture. If any Note is to be redeemed in part only, any notice of redemption that relates to such Notes shall state the portion of the principal amount thereof that has been or is to be redeemed.

Notice of any redemption may be given prior to the completion of any offering or other corporate transaction, and any redemption or notice may, at the Company's discretion, be subject to one or more conditions precedent, including, but not limited to, the completion of the related offering or corporate transaction.

If the Company is redeeming less than all of the Notes issued under the Indenture at any time, the Trustee will select the Notes to be redeemed (1) if the Company has notified the Trustee that the Notes are listed on an exchange, in compliance with the requirements of such exchange or (2) on a pro rata basis to the extent practicable, or, if a pro rata basis is not practicable or permitted for any reason, by lot or by such other method as may be prescribed by DTC's applicable procedures. No Notes of less than \$2,000, or integral multiples of less than \$1,000 in excess thereof, may be redeemed in part.

With respect to Notes represented by certificated notes, the Company will issue a new Note in a principal amount equal to the unredeemed portion of the original Note in the name of the Holder upon cancellation of the original Note; *provided* that new Notes will only be issued in the minimum denomination of \$2,000 and integral multiples of \$1,000 in excess thereof. Notes called for redemption become due on the date fixed for redemption, unless such redemption is conditioned on the happening of one or more future events or conditions precedent. On the applicable date of redemption, interest will cease to accrue on Notes or any series or portion thereof called for redemption.

Repurchase at the Option of Holders

Change of Control

The Indenture will provide that if a Change of Control occurs after the Issue Date, unless the Company has previously or concurrently mailed a redemption notice with respect to all the outstanding Notes as described under “—Optional Redemption,” the Company will make an offer to purchase all of the Notes pursuant to the offer described below (the “Change of Control Offer”) at a price in cash (the “Change of Control Payment”) equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, the date of purchase, subject to the right of Holders of the Notes of record on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any Change of Control, the Company will deliver notice of such Change of Control Offer with a copy to the Trustee, to each Holder of Notes to the address of such Holder appearing in the security register or otherwise in accordance with the procedures of DTC with respect to the Notes, with the following information:

- (1) that a Change of Control Offer is being made pursuant to the covenant entitled “Change of Control” under the Indenture and that all Notes properly tendered pursuant to such Change of Control Offer will be accepted for payment by the Company;
- (2) the purchase price and the purchase date, which will be no earlier than 30 days nor later than 60 days from the date such notice is sent (the “Change of Control Payment Date”), except in the case of a conditional Change of Control Offer made in advance of a Change of Control as described below;
- (3) that any Note not properly tendered will remain outstanding and continue to accrue interest;
- (4) that, unless the Company defaults in the payment of the Change of Control Payment required to be made, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on the Change of Control Payment Date;
- (5) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender such Notes, with the form entitled “Option of Holder to Elect Purchase” on the reverse of such Notes completed, to the paying agent specified in the notice at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;
- (6) that Holders will be entitled to withdraw their tendered Notes and their election to require the Company to purchase such Notes; *provided* that the paying agent receives, not later than the close of business on the expiration date of the Change of Control Offer, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder of the Notes, the principal amount of Notes tendered for purchase, and a statement that such Holder is withdrawing its tendered Notes and its election to have such Notes purchased;
- (7) the other instructions, as determined by the Company (which determination shall be conclusive), consistent with the covenant described hereunder, that a Holder must follow; and
- (8) if such notice is sent prior to the occurrence of a Change of Control, stating that the Change of Control Offer is conditional upon the occurrence of such Change of Control.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with

the repurchase of Notes pursuant to a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations set forth in the Indenture by virtue of such conflict.

On the Change of Control Payment Date, the Company will, to the extent permitted by law,

- (1) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer,
- (2) deposit with the applicable paying agent an amount equal to the aggregate Change of Control Payment in respect of all Notes or portions thereof properly tendered and
- (3) deliver, or cause to be delivered, to the Trustee for cancellation the Notes so accepted together with an Officer's Certificate to the Trustee stating that such Notes or portions thereof have been tendered to, and purchased by, the Company.

The Senior Secured Credit Facilities provide, and future credit agreements or other agreements relating to Indebtedness to which the Company becomes a party may provide, that certain change of control events with respect to the Company would constitute a default thereunder (including events that would constitute a Change of Control under the Indenture). If we experience a change of control event that triggers a default or prepayment provision under the Senior Secured Credit Facilities or any such future Indebtedness, we could seek a waiver of such default or prepayment provision or seek to refinance the Senior Secured Credit Facilities or such future Indebtedness. In the event we do not obtain such a waiver and do not refinance the Senior Secured Credit Facilities or such future Indebtedness, such default could result in amounts outstanding under the Senior Secured Credit Facilities or such future Indebtedness being declared due and payable or lending commitments being terminated.

Our ability to pay cash to the Holders of Notes following the occurrence of a Change of Control may be limited by our then-existing financial resources. Therefore, sufficient funds may not be available when necessary to make any required repurchases. See "Risk Factors—Risks Related to the Exchange Notes—Valvoline may not be able to finance a change of control offer required by the indentures governing the Exchange Notes."

The Change of Control purchase provisions of the Indenture described above may in certain circumstances make more difficult or discourage a sale or takeover of us and, thus, the removal of incumbent management. The Change of Control purchase feature is a result of negotiations between the initial purchasers and us. We have no present intention to engage in a transaction involving a Change of Control, although it is possible that we could decide to do so in the future. Subject to the limitations discussed below, we could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of indebtedness outstanding at such time or otherwise affect our capital structure or credit ratings. Restrictions on our ability to incur additional Indebtedness, including, but not limited to, additional Secured Indebtedness, are contained in the covenants described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and "—Certain Covenants—Liens." However, the covenants are subject to significant exceptions. Such restrictions in the Indenture can be waived with the consent of the Holders of a majority in principal amount of the Notes then outstanding. Except for the limitations contained in such covenants, however, the Indenture will not contain any covenants or provisions that may afford Holders of the Notes protection in the event of a highly leveraged transaction.

We will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by us and purchases all Notes properly tendered and not withdrawn under such Change of Control Offer.

Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control, conditional upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of making the Change of Control Offer.

The definition of “Change of Control” includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries, taken as a whole, to any person. Although there is a limited body of case law interpreting the phrase “all or substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of “all or substantially all” of the assets of the Company and its Restricted Subsidiaries, taken as a whole. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder of Notes may require the Company to make an offer to repurchase the Notes as described above.

The provisions under the Indenture relating to the Company’s obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified, with respect to the Notes, with the written consent of the Holders of a majority in principal amount of the Notes then outstanding, including after the entry into an agreement that would result in the need to make a Change of Control Offer.

Asset Sales

The Indenture will provide that the Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale, unless:

- (1) the Company or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the fair market value (as determined in good faith by the Company at the time of contractually agreeing to such Asset Sale (which determination shall be conclusive)) of the assets sold or otherwise disposed of or the Equity Interests issued; and
- (2) at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents; *provided* that the following shall be deemed to be cash for purposes of this provision and for no other purpose:
 - (a) any liabilities (as reflected in the Company’s or such Restricted Subsidiary’s most recent balance sheet or in the footnotes thereto or, if incurred, increased or accrued subsequent to the date of such balance sheet, such liabilities that would have been shown on the Company’s or such Restricted Subsidiary’s balance sheet or in the footnotes thereto if such incurrence, increase or accrual had taken place on or prior to the date of such balance sheet, as determined in good faith by the Company (which determination shall be conclusive)) of the Company or such Restricted Subsidiary (other than Contingent Obligations and liabilities that are by their terms subordinated to the Notes or the applicable Guarantee) that are assumed by the transferee of any such assets pursuant to a written agreement that releases or indemnifies the Company or such Restricted Subsidiary from such liabilities or that are otherwise extinguished by the transferee in connection with such transaction;
 - (b) any securities, notes or other similar obligations received by the Company or such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received) within 180 days of the receipt thereof;
 - (c) any Designated Non-cash Consideration received by the Company or such Restricted Subsidiary in such Asset Sale having an aggregate fair market value, taken together with all other Designated Non-cash Consideration received pursuant to this clause (c) that is at that time outstanding, not to exceed the greater of \$50.0 million and 3.50% of Total Assets at the time of the receipt of such

Designated Non-cash Consideration, with the fair market value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value; and

- (d) Capital Stock of a Person that is a Restricted Subsidiary or of a Person engaged in a Similar Business that shall become a Restricted Subsidiary immediately upon the acquisition thereof by the Company or any Restricted Subsidiary.

Within 365 days after the receipt of any Net Proceeds of any Asset Sale, the Company or a Restricted Subsidiary, at its option, may apply an amount equal to the Net Proceeds from such Asset Sale,

- (1) to permanently reduce Indebtedness as follows:
 - (a) to permanently reduce Secured Indebtedness, including Indebtedness under the Senior Secured Credit Facilities, in each case, that is secured by a Lien that is permitted by the Indenture and (if applicable) to permanently reduce commitments with respect thereto;
 - (b) to permanently reduce Obligations under other Senior Indebtedness of the Company or a Subsidiary Guarantor (and (if applicable) to permanently reduce commitments with respect thereto); provided that the Company shall equally and ratably reduce (or offer to reduce, as applicable) Obligations under the Notes; provided further that all reductions of Obligations under the Notes shall be made as provided under “—Optional Redemption” or through open-market purchases (to the extent such purchases are at or above 100% of the principal amount thereof plus accrued and unpaid interest) or by making an offer (in accordance with the procedures set forth below for an Asset Sale Offer) to all Holders of Notes to purchase their Notes at 100% of the principal amount thereof, plus the amount of accrued but unpaid interest, if any, on the amount of Notes that would otherwise be prepaid; or
 - (c) to permanently reduce Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor, other than Indebtedness owed to the Company or any Restricted Subsidiary;
- (2) to make (a) an Investment in any one or more businesses; *provided* that such Investment in any business is in the form of the acquisition of Capital Stock and results in the Company or any of its Restricted Subsidiaries, as the case may be, owning an amount of the Capital Stock of such business such that it constitutes a Restricted Subsidiary, (b) capital expenditures or (c) acquisitions of other businesses, properties, noncurrent assets or intellectual property rights that, in the case of each of (a), (b) and (c), are used or useful in a Similar Business; or
- (3) to make an Investment in (a) any one or more businesses; *provided* that such Investment in any business is in the form of the acquisition of Capital Stock and results in the Company or any of its Restricted Subsidiaries, as the case may be, owning an amount of the Capital Stock of such business such that it constitutes a Restricted Subsidiary, (b) properties or (c) acquisitions of other businesses, properties, noncurrent assets or intellectual property rights that, in the case of each of (a), (b) and (c), replace the businesses, properties, assets or intellectual property rights that are the subject of such Asset Sale;

provided that, in the case of clauses (2) and (3) above, a binding commitment entered into not later than the end of such 365-day period shall be treated as a permitted application of the Net Proceeds from the date of such commitment so long as the Company or such Restricted Subsidiary enters into such commitment with the good faith expectation that an amount equal to the Net Proceeds will be applied to satisfy such commitment within 180 days of the end of such 365-day period (an “Acceptable Commitment”) and, in the event any Acceptable Commitment is later cancelled or terminated for any reason before an amount equal to the Net Proceeds is so applied, then the Company or such Restricted Subsidiary shall be permitted to apply an amount equal to the Net Proceeds in any manner set forth above before the expiration of such 180-day period and, in the event the Company or such Restricted Subsidiary fails to do so, then such Net Proceeds shall constitute Excess Proceeds.

Any Net Proceeds from the Asset Sale that are not invested or applied as provided and within the time period set forth in the preceding paragraph will be deemed to constitute “Excess Proceeds.” When the aggregate amount of Excess Proceeds exceeds \$50.0 million (the “Excess Proceeds Threshold”), the Company shall make an offer to all Holders of the Notes and, if required by the terms of any Senior Indebtedness, to the holders of such Senior Indebtedness (an “Asset Sale Offer”), to purchase the maximum aggregate principal amount of the Notes and such Senior Indebtedness that is an integral multiple of \$1,000 (but in minimum denominations of \$2,000) that may be purchased with such Excess Proceeds at an offer price, in the case of the Notes, in cash in an amount equal to 100% of the principal amount thereof, plus accrued and unpaid interest to the date fixed for the closing of such offer, and in the case of any Senior Indebtedness at the offer price required by the terms thereof but not to exceed 100% of the principal amount thereof, plus accrued and unpaid interest, if any, in each case in accordance with the procedures set forth in the Indenture. The Company will commence an Asset Sale Offer with respect to Excess Proceeds within 10 Business Days after the date that Excess Proceeds exceed the Excess Proceeds Threshold by delivering the notice required pursuant to the terms of the Indenture, with a copy to the Trustee. The Company may satisfy the foregoing obligations with respect to any Net Proceeds from an Asset Sale by making an Asset Sale Offer with respect to such Net Proceeds prior to the expiration of the relevant 365-day period. Upon the completion of each Asset Sale Offer (including a voluntary Asset Sale Offer with respect to all Excess Proceeds even though less than the Excess Proceeds Threshold), the amount of Excess Proceeds shall be reset to zero.

To the extent that the aggregate principal amount of Notes and such Senior Indebtedness, as the case may be, tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Company may use any remaining Excess Proceeds for any purposes not otherwise prohibited under the Indenture. If the aggregate principal amount of Notes or Senior Indebtedness, as the case may be, surrendered by such holders thereof exceeds the amount of Excess Proceeds, such Notes or Senior Indebtedness, as the case may be, will be purchased on a pro rata basis based on the accreted value or principal amount of such Notes or Senior Indebtedness, as the case may be, tendered (and the Trustee or registrar will select the tendered Notes of tendering holders on a pro rata basis, or such other basis in accordance with DTC procedures with respect to the Notes, based on the amount of Notes tendered).

Pending the final application of any Net Proceeds, the holder of such Net Proceeds may apply such Net Proceeds temporarily to reduce Indebtedness outstanding under a revolving credit facility or otherwise invest such Net Proceeds in any manner not prohibited by the Indenture.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of the Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations set forth in the Indenture by virtue thereof.

The provisions under the Indenture relating to the Company’s obligation to make an offer to repurchase the Notes as a result of an Asset Sale may be waived or modified, with respect to the Notes, with the written consent of the Holders of a majority in principal amount of the Notes then outstanding.

The Senior Secured Credit Facilities contain restrictions, and future credit agreements or other similar agreements to which the Company becomes a party may contain restrictions on the Company’s ability to repurchase Notes. In the event an Asset Sale occurs at a time when the Company is prohibited from purchasing Notes, the Company could seek the consent of its lenders to the repurchase of Notes or could attempt to refinance the borrowings that contain such prohibition. If the Company does not obtain such consent or repay such borrowings, the Company will remain prohibited from repurchasing Notes. In such a case, the Company’s failure to repurchase tendered Notes when required by the Indenture would constitute an Event of Default under the Indenture which would, in turn, likely constitute a default under such other agreements.

Certain Covenants

Set forth below are summaries of certain covenants contained in the Indenture that will apply to the Company and its Restricted Subsidiaries.

If on any date following the Assumption Date, (i) the Notes have Investment Grade Ratings from both Rating Agencies and (ii) no Default or Event of Default has occurred and is continuing under the Indenture, then, beginning on that day (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a “Covenant Suspension Event”) and continuing until the occurrence of the Reversion Date, the covenants specifically listed under the following captions in this “Description of 2024 Exchange Notes” section of this prospectus will not be applicable to the Notes (collectively, the “Suspended Covenants”):

- (1) “—Repurchase at the Option of Holders—Asset Sales”;
- (2) “—Limitation on Restricted Payments”;
- (3) “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
- (4) clause (4) of the first paragraph of “—Merger, Consolidation or Sale of All or Substantially All Assets—Company”;
- (5) “—Transactions with Affiliates”; and
- (6) “—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.”

During any period that the foregoing covenants have been suspended, the Company may not designate any of its Subsidiaries as Unrestricted Subsidiaries, unless such designation would have complied with the covenant described under “Limitation on Restricted Payments” as if such covenant were in effect during such period.

If and while the Company and its Restricted Subsidiaries are not subject to the Suspended Covenants, the Notes will be entitled to substantially less covenant protection. In the event that the Company and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the “Reversion Date”) one or both of the Rating Agencies withdraw their Investment Grade Rating or downgrade the rating assigned to the Notes below an Investment Grade Rating, then the Company and its Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants under the Indenture with respect to future events. The period of time between the Suspension Date and the Reversion Date is referred to in this description as the “Suspension Period.” Upon the occurrence of a Covenant Suspension Event, the amount of Excess Proceeds from Asset Sales shall be reset to zero.

During any Suspension Period, the Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Lease-Back Transaction; *provided, however*, that the Company or any Restricted Subsidiary may enter into a Sale and Lease-Back Transaction if (i) the Company or such Restricted Subsidiary could have incurred a Lien to secure the Indebtedness attributable to such Sale and Lease-Back Transaction pursuant to “—Liens” below without equally and ratably securing the Notes pursuant to the covenant described therein; and (ii) the consideration received by the Company or such Restricted Subsidiary in that Sale and Lease-Back Transaction is at least equal to the fair market value of the property sold and otherwise complies with “—Repurchase at the Option of Holders—Asset Sales” above; *provided further* that the foregoing provisions shall cease to apply on and subsequent to any Reversion Date.

During the Suspension Period, the Company and its Restricted Subsidiaries will be entitled to incur Liens to the extent provided for under “—Liens” (including Permitted Liens), and any Permitted Liens that refer to one or more Suspended Covenants shall be interpreted as though such applicable Suspended Covenant(s) continued to be applicable during the Suspension Period (but solely for purposes of the “—Liens” covenant and for no other covenant).

Notwithstanding the foregoing, in the event of any such reinstatement, no action taken or omitted to be taken by the Company or any of its Restricted Subsidiaries during the Suspension Period will give rise to a

Default or Event of Default under the Indenture with respect to the Notes; *provided* that (1) after such reinstatement, the amount of Restricted Payments since the Issue Date will be calculated as though the covenant described below under the caption “—Limitation on Restricted Payments” had been in effect prior to, but not during, the Suspension Period; (2) all Indebtedness incurred, or Disqualified Stock issued, during the Suspension Period will be classified to have been incurred or issued pursuant to clause (3) of the second paragraph of “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; (3) any Affiliate Transaction entered into after such reinstatement pursuant to an agreement entered into during any Suspension Period shall be deemed to be permitted pursuant to clause (5) of the second paragraph of the covenant described under “—Transactions with Affiliates”; and (4) any encumbrance or restriction on the ability of any Restricted Subsidiary that is not a Guarantor to take any action described in clauses (1) through (3) of the first paragraph of the covenant described under “—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries” that becomes effective during any Suspension Period shall be deemed to be permitted pursuant to clause (a) of the second paragraph of the covenant described under “—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.”

There can be no assurance that the Notes will ever receive Investment Grade Ratings or, if such ratings are received, that the Notes will maintain such Investment Grade Ratings.

Limitation on Restricted Payments

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

- (I) declare or pay any dividend or make any payment or distribution on account of the Company’s, or any of its Restricted Subsidiaries’ Equity Interests, including any dividend or distribution payable in connection with any merger or consolidation involving the Company or any Restricted Subsidiary, other than:
 - (a) dividends or distributions by the Company payable solely in Equity Interests (other than Disqualified Stock) of the Company; or
 - (b) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of securities issued by a Restricted Subsidiary that is not a wholly owned Subsidiary, the Company or a Restricted Subsidiary receives at least its *pro rata* share of such dividend or distribution in accordance with its Equity Interests in such class or series of securities;
- (II) purchase, redeem, defease or otherwise acquire or retire for value any Equity Interests of the Company, or any direct or indirect parent of the Company, including any such purchase, redemption, defeasance, acquisition or retirement in connection with any merger or consolidation;
- (III) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value, in each case, prior to any scheduled repayment, sinking fund payment or maturity, any Subordinated Indebtedness, other than (a) Indebtedness permitted under clause (7) or (8) of the second paragraph of the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” or (b) the payment, redemption, repurchase, defeasance or other acquisition of Subordinated Indebtedness in anticipation of satisfying a rescheduled payment, sinking fund obligation, principal installment or maturity, in each case due within one year of the date of payment, redemption, repurchase, defeasance or acquisition; or
- (IV) make any Restricted Investment (all such payments and other actions set forth in clauses (I) through (IV) above (other than any exceptions thereto) being collectively referred to as “Restricted Payments”), unless, at the time of such Restricted Payment:
 - (1) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

- (2) immediately after giving effect to such transaction on a *pro forma* basis, the Company could incur \$1.00 of additional Indebtedness under the provisions of the first paragraph of the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; and
- (3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Issue Date (including Restricted Payments permitted by clause (1) of the next succeeding paragraph, but excluding all other Restricted Payments permitted by the next succeeding paragraph), is less than the sum of (without duplication):
 - (a) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) beginning on the first day of the fiscal quarter of the Company in which the Issue Date occurs to the end of the Company’s most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment, or, in the case such Consolidated Net Income for such period is a deficit, minus 100% of such deficit; *plus*
 - (b) 100% of the aggregate net cash proceeds and the fair market value of marketable securities or other property received by the Company since immediately after the Issue Date from the issue or sale of:
 - (i) Equity Interests of the Company, including Treasury Capital Stock, but excluding cash proceeds and the fair market value of marketable securities or other property received from the sale of:
 - (x) Equity Interests to any present, former or future employees, directors, officers, managers or consultants of the Company or any of the Company’s Subsidiaries after the Issue Date to the extent such amounts have been applied to the amount of available Restricted Payments in accordance with clause (5) of the next succeeding paragraph; and
 - (y) Designated Preferred Stock; and
 - (ii) debt securities of the Company or any Restricted Subsidiary that have been converted into or exchanged for such Equity Interests of the Company;
provided, however, that this clause (b) shall not include the proceeds from (W) Refunding Capital Stock (as defined below), (X) Equity Interests or convertible debt securities of the Company sold to a Restricted Subsidiary, (Y) Disqualified Stock or debt securities that have been converted into Disqualified Stock or (Z) the issuance or sale of Equity Interests or the fair market value of any assets received by the Company or any Restricted Subsidiary, in each case made as part of the Transactions (including, for the avoidance of doubt, such proceeds of the Proposed IPO); *plus*
 - (c) 100% of the aggregate net cash proceeds and the fair market value of marketable securities or other property received by the Company or any Restricted Subsidiary by means of:
 - (i) the sale or other disposition (other than to the Company or a Restricted Subsidiary) of Restricted Investments made by the Company or its Restricted Subsidiaries and repurchases and redemptions of such Restricted Investments from the Company or its Restricted Subsidiaries and repayments of loans or advances that constitute Restricted Investments by the Company or its Restricted Subsidiaries, in each case after the Issue Date; or
 - (ii) the sale (other than to the Company or a Restricted Subsidiary) of the stock of an Unrestricted Subsidiary (other than to the extent the Investment in such Unrestricted

Subsidiary was made by the Company or a Restricted Subsidiary pursuant to clause (10) or (15) of the next succeeding paragraph or to the extent such Investment constituted a Permitted Investment) or a distribution or dividend from an Unrestricted Subsidiary, in each case, after the Issue Date; *plus*

- (d) in the case of the redesignation of an Unrestricted Subsidiary as a Restricted Subsidiary, the fair market value (as determined in good faith by the Company; *provided* that if such fair market value may exceed \$50.0 million, such determination shall be made by the board of directors of the Company and evidenced by a board resolution (which determination in either case shall be conclusive)) of the Investment in such Unrestricted Subsidiary at the time of the redesignation of such Unrestricted Subsidiary as a Restricted Subsidiary other than to the extent the Investment in such Unrestricted Subsidiary was made by the Company or a Restricted Subsidiary pursuant to clause (10) or (15) of the next succeeding paragraph or to the extent such Investment constituted a Permitted Investment.

The foregoing provisions will not prohibit:

- (1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration thereof or the giving of the irrevocable redemption notice, as applicable, if at the date of declaration or notice such payment would have complied with the provisions of the Indenture;
- (2) (a) the redemption, repurchase, defeasance, retirement or other acquisition of any Equity Interests (“Treasury Capital Stock”) or Subordinated Indebtedness of the Company in exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary) of, Equity Interests of the Company (in each case, other than any Disqualified Stock or Designated Preferred Stock) (“Refunding Capital Stock”) and (b) if immediately prior to the retirement of Treasury Capital Stock, the declaration and payment of dividends thereon was permitted under clause (7) of this paragraph, the declaration and payment of dividends on the Refunding Capital Stock in an aggregate per annum amount no greater than the aggregate amount of dividends per annum that were declarable and payable on such Treasury Capital Stock immediately prior to such retirement;
- (3) any other Restricted Payment made in exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary) of, Equity Interests of the Company (other than any Disqualified Stock or Designated Preferred Stock);
- (4) the redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Indebtedness or Disqualified Stock of the Company or a Subsidiary Guarantor made in exchange for, or out of the proceeds of the substantially concurrent sale of, new Indebtedness or Disqualified Stock of the Company or a Subsidiary Guarantor, as the case may be, that in each case is incurred in compliance with the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” but only:
 - (a) if the principal amount (or accreted value, if applicable) of such new Indebtedness or the liquidation preference of such new Disqualified Stock does not exceed the principal amount of (or accreted value, if applicable), plus any accrued and unpaid interest on, the Subordinated Indebtedness, or the liquidation preference of, plus any accrued and unpaid dividends on, the Disqualified Stock, as applicable, being so purchased, redeemed, defeased, repurchased, acquired or retired, plus the amount of any premium and any fees and expenses incurred in connection with the issuance of such new Indebtedness or Disqualified Stock;
 - (b) if such new Indebtedness is subordinated to the Notes or the applicable Guarantee at least to the same extent, if at all, as such Subordinated Indebtedness so purchased, exchanged, redeemed, repurchased, defeased, acquired or retired for value;

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- (c) if such new Indebtedness or Disqualified Stock has a final scheduled maturity date equal to or later than the final scheduled maturity date of the Subordinated Indebtedness or Disqualified Stock being so redeemed, repurchased, defeased, acquired or retired; and
 - (d) if such new Indebtedness or Disqualified Stock has a Weighted Average Life to Maturity equal to or greater than the remaining Weighted Average Life to Maturity of the Subordinated Indebtedness or Disqualified Stock being so redeemed, repurchased, defeased, acquired or retired;
- (5) a Restricted Payment to pay for the repurchase, redemption or other acquisition or retirement for value of Equity Interests (other than Disqualified Stock) of the Company held by any future, present or former employee, director, officer, manager or consultant of the Company or any of its Subsidiaries pursuant to any management equity plan or stock option plan or any other management, director or employee benefit plan or agreement (x) upon the death or disability of such employee, director, officer, manager or consultant or (y) upon the resignation or other termination of employment of such employee, director, officer, manager or consultant; *provided, however*, that the aggregate Restricted Payments made under this clause (5) do not exceed in any calendar year \$20.0 million (with unused amounts in any calendar year being carried over to succeeding calendar years); *provided further* that such amount in any calendar year may be increased by an amount not to exceed:
- (a) the cash proceeds from the sale of Equity Interests (other than Disqualified Stock) of the Company to employees, directors, officers, managers or consultants of the Company or any of its Restricted Subsidiaries that occurs after the Issue Date, to the extent the cash proceeds from the sale of such Equity Interests have not otherwise been applied to the payment of Restricted Payments by virtue of clause (3) of the preceding paragraph; plus
 - (b) the cash proceeds of key man life insurance policies received by the Company or its Restricted Subsidiaries after the Issue Date; less
 - (c) the amount of any Restricted Payments previously made with the cash proceeds described in clause (a) or (b) of this clause (5); and *provided further* that cancellation of Indebtedness owing to the Company or any of its Restricted Subsidiaries from any future, present or former employees, directors, officers, managers or consultants of the Company or any of its Restricted Subsidiaries in connection with a repurchase of Equity Interests of the Company will not be deemed to constitute a Restricted Payment for purposes of this covenant or any other provision of the Indenture;
- (6) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Company or any of its Restricted Subsidiaries, or of Preferred Stock of any Restricted Subsidiary, in each case issued in accordance with the covenant described under “— Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
- (7) (a) the declaration and payment of dividends to holders of any class or series of Designated Preferred Stock (other than Disqualified Stock) issued by the Company after the Issue Date; and
- (b) the declaration and payment of dividends on Refunding Capital Stock that is Preferred Stock in excess of the dividends declarable and payable thereon pursuant to clause (2) of this paragraph;
- provided, however*, in the case of each of subclauses (a) and (b) of this clause (7), that for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of issuance of such Designated Preferred Stock or Refunding Capital Stock that is Preferred Stock, after giving effect to such issuance or declaration on a *pro forma* basis, the Company and its Restricted Subsidiaries on a consolidated basis would have had a Fixed Charge Coverage Ratio of at least 2.00 to 1.00;
- (8) repurchases of Equity Interests deemed to occur (i) upon the exercise of stock options, warrants or other equity-based awards if such Equity Interests represent all or a portion of the exercise price of such options, warrants or awards or payments, in lieu of the issuance of fractional Equity Interests or (ii) for the purposes of satisfying any required tax withholding obligation upon the exercise or vesting of a grant or award of any stock options, warrants or other equity-based awards;

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- (9) the declaration and payment of dividends or distributions in respect of, or repurchases of, the Company's common stock in an aggregate amount not to exceed \$100.0 million in any calendar year;
- (10) other Restricted Payments in an aggregate amount taken together with all other Restricted Payments made pursuant to this clause (10) not to exceed the greater of \$150.0 million and 10.00% of Total Assets;
- (11) Restricted Payments comprising (a) the payment, redemption, repurchase, defeasance or other acquisition of Indebtedness incurred by a Securitization Special Purpose Entity in accordance with clause (24) of the second paragraph under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" below and (b) the payment or distribution of any Securitization Fees;
- (12) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness in accordance with the provisions similar to those described under the captions "—Repurchase at the Option of Holders—Change of Control" and "—Repurchase at the Option of Holders—Asset Sales"; *provided* that all Notes tendered in connection with a Change of Control Offer or Asset Sale Offer, as applicable, have first been repurchased, redeemed or acquired for value;
- (13) the distribution, by dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Company or a Restricted Subsidiary by, Unrestricted Subsidiaries (other than Unrestricted Subsidiaries the primary assets of which are cash or Cash Equivalents);
- (14) any Restricted Payment made as part of the Transactions;
- (15) the making of other Restricted Payments if, at the time of the making of such Restricted Payment, and after giving *pro forma* effect thereto (including, without limitation, the incurrence of any Indebtedness to finance such Restricted Payment and the application of the net proceeds thereof), the Consolidated Net Leverage Ratio of the Company would not exceed 3.50 to 1.00;
- (16) the making of cash payments in satisfaction of the conversion obligation upon conversion of convertible Indebtedness permitted to be incurred pursuant to the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock," in an aggregate amount since the Issue Date not to exceed the sum of (a) the principal amount of such convertible Indebtedness plus (b) any payment received by the Company or a Restricted Subsidiaries pursuant to the exercise, settlement or termination of any related hedge or warrant option transactions; and
- (17) the purchase of any call option, purchase option or other similar contract in respect of Equity Interests of the Company in connection with the issuance of convertible Indebtedness permitted to be incurred pursuant to the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified and Preferred Stock" to mitigate dilution attributable to such convertible Indebtedness;

provided, however, that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (3), (9), (10), (13) and (15), no Default shall have occurred and be continuing or would occur as a consequence thereof.

For purposes of determining compliance with this covenant, in the event that a proposed Restricted Payment (or a portion thereof) meets the criteria of clauses (1) through (17) above or is entitled to be made pursuant to the first paragraph of this covenant, the Company will be entitled to classify or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment (or a portion thereof) between such clauses (1) through (17) and such first paragraph in any manner that otherwise complies with this covenant.

As of the date of this prospectus, all of the Company's Subsidiaries are Restricted Subsidiaries. The Company will not permit any Unrestricted Subsidiary to become a Restricted Subsidiary except pursuant to the

penultimate sentence of the definition of “Unrestricted Subsidiary.” For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of “Investments.” Such designation will be permitted only if a Restricted Payment or Permitted Investment in such amount would be permitted at such time, and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants set forth in the Indenture.

Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise (collectively, “incur” and each instance thereof, an “incurrence”), with respect to any Indebtedness (including Acquired Indebtedness), and the Company will not issue any shares of Disqualified Stock and will not permit any Restricted Subsidiary to issue any shares of Disqualified Stock or Preferred Stock; *provided, however*, that the Company may incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock, and any of its Restricted Subsidiaries may incur Indebtedness (including Acquired Indebtedness), issue shares of Disqualified Stock and issue shares of Preferred Stock, if the Fixed Charge Coverage Ratio on a consolidated basis for the Company and its Restricted Subsidiaries’ most recently ended four fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or Preferred Stock is issued would have been at least 2.00 to 1.00, determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been incurred, or the Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

The foregoing limitations will not apply to:

- (1) the incurrence of Indebtedness under Credit Facilities by the Company or any of its Restricted Subsidiaries and the issuance and creation of letters of credit and bankers’ acceptances thereunder (with letters of credit and bankers’ acceptances being deemed to have a principal amount equal to the face amount thereof); *provided, however*, that immediately after giving effect to any such incurrence, the then outstanding aggregate principal amount of all Indebtedness under this clause (1) does not exceed the sum of (x) \$1,625.0 million plus (y) the maximum principal amount of additional Indebtedness that could be incurred such that after giving effect to such incurrence, the Consolidated First Lien Net Leverage Ratio of the Company would be no greater than 2.00 to 1.00 (calculated assuming that all Indebtedness incurred under this clause (1) is secured on a first priority basis and without netting the cash proceeds of any such Indebtedness);
- (2) the incurrence by the Company and any Subsidiary Guarantor of Indebtedness under the Notes (including Guarantees thereof) (other than any Additional Notes) and any notes (including Guarantees thereof) issued in exchange for the Notes pursuant to a registration rights agreement;
- (3) Indebtedness and Disqualified Stock of the Company and its Restricted Subsidiaries in existence on the Issue Date;
- (4) Indebtedness in respect of Capitalized Lease Obligations, Synthetic Lease Obligations and purchase money obligations for fixed or capital assets; *provided* that such Indebtedness does not at any time encumber any property other than the property financed by such Indebtedness, other than proceeds and products thereof and either (a) the Indebtedness related thereto does not exceed the cost or fair market value, whichever is lower, of the property being financed and such Indebtedness exists at the date of such purchase or transaction or is created within 365 days thereafter (for the avoidance of doubt, the purchase date for any asset shall be the later of the date of completion of installation and the beginning of the full productive use of such asset) or (b) the Indebtedness related thereto does not exceed the fair market value of the property being financed and after giving effect to the incurrence of any such

Indebtedness and, after giving effect thereto (and the use of the proceeds therefrom), the Company would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first sentence of this covenant;

- (5) Indebtedness incurred by the Company or any of its Restricted Subsidiaries constituting reimbursement obligations with respect to letters of credit issued in the ordinary course of business, including letters of credit in respect of workers' compensation claims, death, disability or other employee benefits or property, casualty or liability insurance, or other Indebtedness with respect to reimbursement-type obligations regarding workers' compensation claims; *provided, however*, that upon the drawing of such letters of credit or the incurrence of such Indebtedness, such obligations (a) are reimbursed within 30 days following such drawing or incurrence or (b) are permitted to be incurred (and thereupon shall be deemed to be incurred) pursuant to clause (4) above following the expiry of such 30 day period;
- (6) Indebtedness arising from agreements of the Company or its Restricted Subsidiaries providing for indemnification, adjustment of purchase price or similar obligations, including earnouts, in each case, incurred or assumed in connection with the disposition of any business, assets or a Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or a Subsidiary for the purpose of financing such acquisition; *provided, however*, that such Indebtedness is not reflected on the balance sheet of the Company or any of its Restricted Subsidiaries (contingent obligations referred to in a footnote to financial statements and not otherwise reflected on the balance sheet will not be deemed to be reflected on such balance sheet for purposes of this clause (6));
- (7) Indebtedness of the Company to a Restricted Subsidiary; *provided* that any such Indebtedness owing to a Restricted Subsidiary that is not a Subsidiary Guarantor shall be subordinated in right of payment to the Notes; *provided further* that any subsequent issuance or transfer of any Capital Stock or any other event which results in the Restricted Subsidiary holding such Indebtedness ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case, to be an incurrence of such Indebtedness not permitted by this clause (7);
- (8) Indebtedness of a Restricted Subsidiary to the Company or another Restricted Subsidiary; *provided* that if a Subsidiary Guarantor incurs such Indebtedness to a Restricted Subsidiary that is not a Subsidiary Guarantor, such Indebtedness shall be subordinated in right of payment to the Guarantee of the Notes of such Subsidiary Guarantor; *provided further* that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Indebtedness being held by a person other than the Company or a Restricted Subsidiary or any subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case, to be an incurrence of such Indebtedness not permitted by this clause (8);
- (9) shares of Preferred Stock of a Restricted Subsidiary issued to the Company or another Restricted Subsidiary; *provided* that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of Preferred Stock (except to the Company or another Restricted Subsidiary) shall be deemed in each case to be an issuance of such shares of Preferred Stock not permitted by this clause (9);
- (10) Swap Contracts (excluding Swap Contracts entered into for speculative purposes) for the purpose of limiting interest rate risk with respect to any Indebtedness of the Company or any Restricted Subsidiary permitted to be incurred pursuant to this covenant, exchange rate risk or commodity pricing risk;
- (11) obligations in respect of self-insurance and obligations in respect of performance, bid, appeal, stay, surety, customs and replevin bonds and performance and completion guarantees provided by the Company or any of its Restricted Subsidiaries in the ordinary course of business;
- (12) Indebtedness or Disqualified Stock of the Company and Indebtedness, Disqualified Stock or Preferred Stock of any Restricted Subsidiary not otherwise permitted hereunder in an aggregate principal amount

or liquidation preference that, when aggregated with the principal amount and liquidation preference of all other Indebtedness, Disqualified Stock and Preferred Stock then outstanding and incurred pursuant to this clause (12), does not exceed \$300.0 million;

- (13) the incurrence or issuance by the Company or any Restricted Subsidiary of Indebtedness or Disqualified Stock, and the issuance by any Restricted Subsidiary of Preferred Stock, in each case that serves to refund, refinance, replace, renew, extend or defease any Indebtedness or Disqualified Stock of the Company or any Restricted Subsidiary or Preferred Stock of any Restricted Subsidiary incurred or issued as permitted under the first paragraph of this covenant or clause (2), (3) or (4) above, this clause (13) or clause (14) below or any Indebtedness, Disqualified Stock or Preferred Stock previously incurred or issued to so refund, refinance, replace, renew, extend or defease such Indebtedness or Disqualified Stock or Preferred Stock, including additional Indebtedness, Disqualified Stock or Preferred Stock incurred or issued to pay premiums (including tender premiums), defeasance costs, accrued interest, fees and expenses in connection therewith (the “Refinancing Indebtedness”) prior to its respective maturity; *provided, however*, that such Refinancing Indebtedness:
- (a) has a Weighted Average Life to Maturity at the time such Refinancing Indebtedness is incurred that is not less than the remaining Weighted Average Life to Maturity of the Indebtedness or Disqualified Stock or Preferred Stock being refunded, refinanced, replaced, renewed, extended or defeased (or requires no or nominal payments in cash prior to the date that is 91 days after the maturity date of the Notes);
 - (b) to the extent such Refinancing Indebtedness refunds, refinances, replaces, renews, extends or defeases (i) Subordinated Indebtedness, such Refinancing Indebtedness is subordinated in right of payment to the Notes or the Guarantee thereof at least to the same extent as the Indebtedness being refunded, refinanced, replaced, renewed, extended or defeased or (ii) Disqualified Stock or Preferred Stock, such Refinancing Indebtedness must be Disqualified Stock or Preferred Stock, respectively; and
 - (c) shall not include:
 - (i) Indebtedness, Disqualified Stock or Preferred Stock of a Subsidiary of the Company that is not a Guarantor that refinances Indebtedness, Disqualified Stock or Preferred Stock of the Company;
 - (ii) Indebtedness, Disqualified Stock or Preferred Stock of a Subsidiary of the Company that is not a Guarantor that refinances Indebtedness, Disqualified Stock or Preferred Stock of a Subsidiary Guarantor; or
 - (iii) Indebtedness or Disqualified Stock of the Company or Indebtedness, Disqualified Stock or Preferred Stock of a Restricted Subsidiary that refinances Indebtedness, Disqualified Stock or Preferred Stock of an Unrestricted Subsidiary;

and, *provided further* that subclause (a) of this clause (13) will not apply to any refunding, refinancing, replacement, renewal, extension or defeasance of any Secured Indebtedness;

- (14) (x) Indebtedness or Disqualified Stock of the Company and Indebtedness, Disqualified Stock or Preferred Stock of a Restricted Subsidiary incurred or issued to finance an acquisition (or other purchase of assets) or (y) existing Indebtedness, Disqualified Stock or Preferred Stock of Persons that are acquired by the Company or any Restricted Subsidiary or merged into or consolidated with the Company or a Restricted Subsidiary in accordance with the terms of the Indenture that is not incurred or issued in contemplation of such acquisition, merger or consolidation; *provided* that in the case of (x) and (y) after giving effect to such acquisition, merger or consolidation, either (a) the Company would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first sentence of this covenant or (b) the Fixed Charge Coverage Ratio of the Company and the Restricted Subsidiaries is greater than immediately prior to such acquisition, merger or consolidation;

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- (15) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;
- (16) Indebtedness of the Company or any of its Restricted Subsidiaries supported by a letter of credit issued pursuant to Credit Facilities, in a principal amount not in excess of the stated amount of such letter of credit;
- (17) (a) any guarantee by the Company or a Restricted Subsidiary of Indebtedness or other obligations of any Restricted Subsidiary so long as the incurrence of such Indebtedness incurred by such Restricted Subsidiary is permitted under the terms of the Indenture; and
 - (b) any guarantee by a Restricted Subsidiary of Indebtedness of the Company;
- (18) Indebtedness of the Company or any of its Restricted Subsidiaries consisting of (i) the financing of insurance premiums or (ii) take-or-pay obligations contained in supply arrangements, in each case incurred in the ordinary course of business;
- (19) Indebtedness consisting of Indebtedness issued by the Company or any of its Restricted Subsidiaries to current or former officers, directors and employees thereof, their respective estates, spouses or former spouses, in each case to finance the purchase or redemption of Equity Interests of the Company or any direct or indirect parent company of the Company to the extent described in clause (5) of the second paragraph under the heading “—Limitation on Restricted Payments”;
- (20) Indebtedness consisting of cash management services incurred in the ordinary course of business, including in respect of credit card obligations, overdrafts and related liabilities arising from treasury, depositary and cash management services or in connection with any automated clearinghouse transfers of funds;
- (21) customer deposits and advance payments received in the ordinary course of business from customers for goods purchased in the ordinary course of business;
- (22) Indebtedness owed on a short-term basis of no longer than 30 days to banks and other financial institutions incurred in the ordinary course of business of the Company and its Restricted Subsidiaries with such banks or financial institutions and arising in connection with ordinary banking arrangements to manage cash balances of the Company and its Restricted Subsidiaries;
- (23) Indebtedness incurred by the Company or a Restricted Subsidiary in connection with bankers’ acceptances or discounted bills of exchange, in each case incurred or undertaken consistent with past practice or in the ordinary course of business;
- (24) Indebtedness (i) incurred by a Securitization Special Purpose Entity as part of, pursuant to or in connection with a Qualified Securitization Transaction (including Indebtedness to the Company, any Restricted Subsidiary or other Person) that is without recourse to the Company or to any Restricted Subsidiary (other than Standard Securitization Undertakings) and (ii) in connection with any Receivables Facility, so long as the aggregate principal amount of Indebtedness under this clause (ii) in the aggregate does not exceed \$250.0 million; and to the extent that any purported contribution, sale, conveyance, grant or transfer of Securitization Assets or accounts receivables from the Company or any Restricted Subsidiary to a Securitization Special Purpose Entity or to any Person that is not a Restricted Subsidiary, as applicable, shall ever be deemed not to constitute a true sale, any Indebtedness of the applicable Securitization Special Purpose Entity or Person to the Company and such Restricted Subsidiaries arising therefrom (for the avoidance of doubt, Indebtedness permitted to be incurred under this clause (24) shall include Indebtedness in connection with the Company’s trade receivables securitization facility);
- (25) to the extent constituting Indebtedness, any obligations incurred as part of the Transactions;
- (26) guarantees of Indebtedness of joint ventures of the Company or any Restricted Subsidiary not to exceed, at any one time outstanding, \$150.0 million; and

- (27) Indebtedness of Foreign Subsidiaries of the Company in an amount not to exceed, at any one time outstanding and together with any other Indebtedness incurred under this clause (27), \$150.0 million.

For purposes of determining compliance with this covenant (1) in the event that an item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) meets the criteria of more than one of the categories of permitted Indebtedness, Disqualified Stock or Preferred Stock described in clauses (1) through (27) above or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company, in its sole discretion, will classify or reclassify such item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) and will only be required to include the amount and type of such Indebtedness, Disqualified Stock or Preferred Stock in one of the above clauses or under the first paragraph of this covenant; and (2) at the time of incurrence, the Company will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in the first and second paragraphs above; *provided* that, in the case of each of the foregoing clauses (1) or (2), all Indebtedness outstanding under the Senior Secured Credit Facilities on or prior to the Assumption Date will be treated as incurred under clause (1)(x) of the preceding paragraph.

Notwithstanding the above, Restricted Subsidiaries that are not Subsidiary Guarantors may not incur Indebtedness or issue Disqualified Stock or Preferred Stock pursuant to the first paragraph of this covenant or clause (12), (13) (solely in respect of Indebtedness, Disqualified Stock or Preferred Stock incurred or issued under the first paragraph of this covenant or clause (12), (14)(x) or (27) of this covenant, and any refinancings thereof), (14)(x) or (27) of this covenant if, after giving *pro forma* effect to such incurrence or issuance (including a *pro forma* application of the net proceeds therefrom), the aggregate amount of Indebtedness, Disqualified Stock and Preferred Stock of Restricted Subsidiaries that are not Subsidiary Guarantors incurred or issued pursuant to such provisions of this covenant at any one time outstanding would exceed \$250.0 million.

Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount, the payment of interest in the form of additional Indebtedness and the payment of dividends in the form of additional Disqualified Stock or Preferred Stock, as applicable, will in each case not be deemed to be an incurrence of Indebtedness or Disqualified Stock or Preferred Stock for purposes of this covenant.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed (a) the principal amount of such Indebtedness being refinanced, plus (b) the aggregate amount of fees, underwriting discounts, premiums (including tender premiums) and other costs and expenses (including original issue discount, upfront fees or similar fees) incurred in connection with such refinancing.

The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

The Indenture will provide that the Company will not, and will not permit any Subsidiary Guarantor to, directly or indirectly, incur any Indebtedness (including Acquired Indebtedness) that is expressly subordinated or junior in right of payment to any Indebtedness of the Company or such Subsidiary Guarantor, as the case may be, unless such Indebtedness is expressly subordinated in right of payment to the Notes or such Subsidiary Guarantor's Guarantee to the extent and on substantially identical terms as such Indebtedness is subordinated to other Indebtedness of the Company or such Subsidiary Guarantor, as the case may be.

The Indenture will not treat (1) unsecured Indebtedness as subordinated or junior to Secured Indebtedness merely because it is unsecured or (2) Senior Indebtedness as subordinated or junior to any other Senior Indebtedness merely because it has a junior priority with respect to the same collateral or because such other Senior Indebtedness is guaranteed by other obligors.

Liens

The Company will not, and will not permit any Subsidiary Guarantor to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist any Lien (except Permitted Liens) that secures obligations under any Indebtedness or any related Guarantee of the Company or any Subsidiary Guarantor, on any asset or property of the Company or any Subsidiary Guarantor, or any income or profits therefrom, or assign or convey any right to receive income therefrom, unless:

- (1) in the case of any Liens securing Subordinated Indebtedness, the Notes and related Guarantees are secured by a Lien on such property, assets or proceeds that is senior in priority to such Liens; and
- (2) in all other cases, the Notes or the Guarantees are equally and ratably secured, except that the foregoing shall not apply to or restrict Liens securing obligations in respect of the Notes (and exchange notes with respect thereto) and the related Guarantees.

Any Lien created for the benefit of the Holders of the Notes pursuant to this covenant shall be deemed automatically and unconditionally released and discharged upon the release and discharge of each Lien (other than a release as a result of the enforcement of remedies in respect of such Lien or the Obligations secured by such Lien) that gave rise to the obligation to secure the Notes or such Guarantee pursuant to the preceding paragraph.

Merger, Consolidation or Sale of All or Substantially All Assets

Company. The Company may not, directly or indirectly, consolidate or merge with or into or wind up into (whether or not the Company is the surviving corporation) or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the Company's properties or assets, in one or more related transactions, to any Person unless:

- (1) the Company is the surviving entity or the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation, partnership (including a limited partnership), trust or limited liability company organized or existing under the laws of the jurisdiction of organization of the Company or the laws of the United States, any state thereof, the District of Columbia or any territory thereof (such Person, as the case may be, being herein called the "Successor Company");
- (2) the Successor Company, if other than the Company, expressly assumes all the obligations of the Company under the Notes, pursuant to a supplemental indenture or other documents or instruments;
- (3) immediately after such transaction, no Default or Event of Default exists;
- (4) immediately after giving *pro forma* effect to such transaction and any related financing transactions, as if such transactions had occurred at the beginning of the applicable four-quarter period,
 - (a) the Company or the Successor Company, as applicable, would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock," or
 - (b) the Fixed Charge Coverage Ratio of the Company (or, if applicable, the Successor Company) and its Restricted Subsidiaries would be equal to or greater than such ratio of the Company and its Restricted Subsidiaries immediately prior to such transaction;

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- (5) each Subsidiary Guarantor, unless (i) it is the other party to the transactions described above, in which case subclause (b) of the second succeeding paragraph shall apply or (ii) the Company is the surviving entity, shall have by supplemental indenture confirmed that its Guarantee shall apply to such Person's obligations under the Indenture and the Notes; and
- (6) the Company (or, if applicable, the Successor Company) shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture, if any, complies with the Indenture.

The Successor Company will succeed to, and be substituted for, the Company under the Indenture, the Guarantees and the Notes, as applicable. Notwithstanding the foregoing clauses (3) and (4),

- (1) any Restricted Subsidiary may consolidate with or merge into or transfer all or part of its properties and assets to the Company or a Subsidiary Guarantor, and
- (2) the Company may merge with an Affiliate of the Company, as the case may be, solely for the purpose of reincorporating the Company in the United States, any state thereof, the District of Columbia or any territory thereof or for the sole purpose of forming or collapsing a holding company structure.

Subsidiary Guarantors . Subject to certain limitations set forth in the Indenture governing release of a Guarantee upon the sale, disposition or transfer of a Subsidiary Guarantor, no Subsidiary Guarantor will, and the Company will not permit any Subsidiary Guarantor to, consolidate or merge with or into or wind up into (whether or not such Subsidiary Guarantor is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets, in one or more related transactions, to, any Person unless:

- (1) (a) such Guarantor is the surviving entity or the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation, partnership, trust or limited liability company organized or existing under the laws of the jurisdiction of organization of such Guarantor, as the case may be, or the laws of the United States, any state thereof, the District of Columbia or any territory thereof (such Guarantor or such Person, as the case may be, being herein called the "Successor Person");
 - (a) the Successor Person, if other than a Guarantor, expressly assumes all the obligations of such Guarantor under the Indenture and such Guarantor's related Guarantee pursuant to a supplemental indenture or other documents or instruments;
 - (b) immediately after such transaction, no Default or Event of Default exists; and
 - (c) the Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture, if any, complies with the Indenture;
- (2) the transaction is made in compliance with the covenant described under "—Repurchase at the Option of Holders—Asset Sales," if applicable; or
- (3) in the case of assets comprised of Equity Interests of Subsidiaries that are not Guarantors, such Equity Interests are sold, assigned, transferred, leased, conveyed or otherwise disposed of to one or more Restricted Subsidiaries.

Subject to certain limitations set forth in the Indenture, the Successor Person will succeed to, and be substituted for, such Guarantor under the Indenture and such Guarantor's Guarantee. Notwithstanding the foregoing, any Subsidiary Guarantor may (1) merge or consolidate with or into, wind up into or transfer all or part of its properties and assets to another Subsidiary Guarantor or the Company, (2) merge with an Affiliate of the Company solely for the purpose of reincorporating the Subsidiary Guarantor in the United States, any state thereof, the District of Columbia or any territory thereof, (3) convert into a corporation, partnership, limited

partnership, limited liability company or trust organized or existing under the laws of the jurisdiction of organization of such Subsidiary Guarantor or (4) liquidate or dissolve or change its legal form if the Company determines in good faith that such action is in the best interests of the Company, in each case, without regard to the requirements set forth in the preceding paragraph.

Transactions with Affiliates

The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into, or make or amend, any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each of the foregoing, an “Affiliate Transaction”) involving aggregate payments or consideration in excess of \$25.0 million, unless:

- (1) such Affiliate Transaction is on terms that are not materially less favorable, taken as a whole, as determined in good faith by the Company (which determination shall be conclusive), to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person on an arm’s-length basis; and
- (2) the Company delivers to the Trustee, with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate payments or consideration in excess of \$50.0 million, a resolution adopted by the majority of the disinterested members of the board of directors of the Company approving such Affiliate Transaction and set forth in an Officer’s Certificate certifying that such Affiliate Transaction complies with clause (1) above.

The foregoing provisions will not apply to the following:

- (1) transactions between or among the Company or any of its Restricted Subsidiaries;
- (2) Restricted Payments permitted by the provisions of the Indenture described above under the covenant “—Limitation on Restricted Payments” or the definition of “Permitted Investment”;
- (3) the payment of reasonable and customary compensation and fees paid to, and indemnities provided for the benefit of, or employment, service or benefit plan agreements with or for the benefit of, former, current or future officers, directors, employees or consultants of the Company or any of its Restricted Subsidiaries;
- (4) transactions in which the Company or any of its Restricted Subsidiaries, as the case may be, delivers to the Trustee a letter from an Independent Financial Advisor either stating that such transaction is fair to the Company or such Restricted Subsidiary from a financial point of view or stating that such terms are not materially less favorable to the Company or its relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person on an arm’s-length basis;
- (5) (a) any of the Separation Documents and (b) any agreement as in effect as of the Issue Date, or any amendment, supplement, modification, extension or renewal thereto or thereof or any transaction contemplated thereby (including pursuant to any amendment, supplement, modification, extension or renewal thereto or thereof) or by any replacement agreement thereto (so long as any such amendment or replacement agreement is not more disadvantageous to the Holders in any material respect when taken as a whole as compared to the applicable agreement as in effect on the Issue Date as determined in good faith by the Company (which determination shall be conclusive));
- (6) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture that are fair to the Company and its Restricted Subsidiaries, as determined in good faith by the Company (which determination shall be conclusive), or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party;

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- (7) the sale or issuance of Equity Interests of the Company to any director, officer, employee or consultant of the Company or its Restricted Subsidiaries;
- (8) any issuances of securities or other payments, awards, grants in cash, securities or otherwise or loans (or cancellation of loans) to employees or consultants of the Company or any of its Restricted Subsidiaries pursuant to, or for the funding of, employment arrangements or agreements, stock option plans, stock ownership plans and other similar arrangements with such employees or consultants which, in each case, are approved by the Company in good faith;
- (9) any transaction with any Person that is an Affiliate of the Company or any Restricted Subsidiary that would constitute an Affiliate Transaction solely because the Company or any Restricted Subsidiary owns (directly or indirectly) an equity interest in, or controls (including pursuant to any management agreement or otherwise), such Person;
- (10) transactions with joint ventures on terms that are not materially less favorable, taken as a whole, to the Company or any Restricted Subsidiary (as applicable), as determined in good faith by the Company (which determination shall be conclusive), than the other joint venture partner(s);
- (11) the Transactions and the payment of all fees and expenses related to the Transactions;
- (12) any contribution, sale, conveyance, transfer or other disposition of, or grant of a security interest in, Securitization Assets to a Securitization Special Purpose Entity and other transactions effected as part of, pursuant to or in connection with a Qualified Securitization Transaction; and
- (13) transactions with Affiliates solely in their capacity as holders of Indebtedness or Capital Stock of the Company or any Restricted Subsidiary where such Affiliate receives the same consideration or is treated in the same manner as non-Affiliates that are party to (or have the benefit of) such transaction.

Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Company will not, and will not permit any of its Restricted Subsidiaries that are not Guarantors to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary that is not a Guarantor to:

- (1) (a) pay dividends or make any other distributions to the Company or any Subsidiary Guarantor on its Capital Stock, or (b) pay any Indebtedness owed to the Company or any Subsidiary Guarantor;
- (2) make loans or advances to the Company or any Subsidiary Guarantor; or
- (3) sell, lease or transfer any of its properties or assets to the Company or any Subsidiary Guarantor, except (in each case) for such encumbrances or restrictions existing under or by reason of:
 - (a) contractual encumbrances or restrictions in effect on the Issue Date, including pursuant to the Senior Secured Credit Facilities and the related documentation and Swap Contracts as in effect on the Issue Date and any related documentation;
 - (b) the Indenture, the Notes and the Guarantees thereof;
 - (c) purchase money obligations for property acquired in the ordinary course of business that impose restrictions of the nature discussed in clause (3) above on the property so acquired;
 - (d) applicable law or any applicable rule, regulation, order, approval, license, permit or other similar restriction, including under contracts with domestic or foreign governments or agencies thereof entered into in the ordinary course of business;
 - (e) any agreement or other instrument (including an instrument governing Capital Stock or Indebtedness) of a Person acquired by the Company or any Restricted Subsidiaries in existence at the time of such acquisition or at the time it merges with or into the Company or any of its Restricted Subsidiaries or assumed in connection with the acquisition of assets from such Person

(but, in any such case, not created in anticipation or contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or the property or assets so assumed;

- (f) contracts for the sale of assets, including customary restrictions with respect to a Subsidiary of the Company pursuant to an agreement that has been entered into for the sale or disposition of any Capital Stock or assets of such Subsidiary;
- (g) Secured Indebtedness otherwise permitted to be incurred pursuant to the covenants described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” and “—Liens,” to the extent limiting the right of the Company or any of its Restricted Subsidiaries to dispose of assets subject to such Lien;
- (h) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;
- (i) other Indebtedness, Disqualified Stock or Preferred Stock of Foreign Subsidiaries permitted to be incurred subsequent to the Issue Date pursuant to the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; *provided* that such encumbrances and restrictions apply only to such Restricted Subsidiary and its assets and Subsidiaries; and *provided further* that the Company has determined in good faith (which determination shall be conclusive), at the time of creation of each such encumbrance or restriction, that such encumbrances and restrictions would not individually or in the aggregate have a material adverse effect on the Company’s ability to make required payments in respect of the Notes;
- (j) customary provisions in joint venture agreements and other similar agreements or arrangements relating solely to such joint venture;
- (k) customary provisions contained in leases, licenses or similar agreements, including with respect to intellectual property and other agreements, in each case, entered into in the ordinary course of business;
- (l) non-assignment provisions of any contract or any lease of any Restricted Subsidiary entered into in the ordinary course of business;
- (m) restrictions on the transfer of assets subject to any Lien permitted under the Indenture imposed by the holder of such Lien;
- (n) any agreement or instrument governing Capital Stock of any Person that is acquired;
- (o) restrictions or conditions contained in any trading, netting, operating, construction, service, supply, purchase, sale or other agreement to which the Company or any of its Restricted Subsidiaries is a party entered into in the ordinary course of business; *provided* that such agreement prohibits the encumbrance solely of the property or assets of the Company or such Restricted Subsidiary that are subject to such agreement, the payment rights arising thereunder or the proceeds thereof and does not extend to any other asset or property of the Company or such Restricted Subsidiary or the assets or property of another Restricted Subsidiary;
- (p) restrictions (contractual or otherwise) applicable to a Securitization Special Purpose Entity in connection with a Qualified Securitization Transaction; *provided* that such restrictions apply only to such Securitization Special Purpose Entity;
- (q) Indebtedness of Foreign Subsidiaries permitted to be incurred pursuant to clause (27) of the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
- (r) any encumbrances, restrictions, contractual requirements or other provisions of the Separation Documents or in connection with any of the Transactions; or

- (s) any encumbrances or restrictions of the type referred to in clauses (1), (2) and (3) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (a) through (r) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Company, either (i) not materially more restrictive with respect to such encumbrance and other restrictions taken as a whole than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing, or (ii) ordinary and customary with respect to such instruments and obligations at the time of such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

Reports and Other Information

For so long as the Company is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company will file with the SEC (and make available (without exhibits), without cost, to Holders or to the Trustee for provision to Holders, within the time periods specified in such Sections, to the extent not publicly available on the SEC's EDGAR system or the Company's public website; *provided, however*, that the Trustee shall have no responsibility whatsoever to determine whether such filing or any other filing described below has occurred),

- (1) within the time period then in effect under the rules and regulations of the Exchange Act with respect to the filing of a Form 10-K by a non-accelerated filer, annual reports on Form 10-K, or any successor or comparable form, containing the information required to be contained therein, or required in such successor or comparable form;
- (2) within the time period then in effect under the rules and regulations of the Exchange Act with respect to the filing of a Form 10-Q by a non-accelerated filer, for each of the first three fiscal quarters of each fiscal year, reports on Form 10-Q containing all quarterly information that would be required to be contained in Form 10-Q, or any successor or comparable form; and
- (3) within the time period then in effect under the rules and regulations of the Exchange Act with respect to the filing of a Form 8-K, after the occurrence of an event required to be therein reported, such other reports on Form 8-K, or any successor or comparable form;

in each case, taking into account any extension of time, deemed filing date or safe harbor contemplated or provided by Rule 12b-25, Rule 13a-11(c) and Rule 15d-11(c) under the Exchange Act or successor provisions and in a manner that complies in all material respects with the requirements specified in such form.

If, at any time, the Company is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act for any reason, the Company will nevertheless post the information required to be set forth in the reports specified above (other than (a) separate financial statements or condensed consolidating financial information required by Rule 3-10 or 3-16 of Regulation S-X, (b) information required by Item 10(e) of Regulation S-K or Regulation G under the Securities Act (in each case with respect to any non-GAAP financial measures contained therein) and (c) information required by Item 402 or 601 of Regulation S-K) on the Company's public website and will provide such information to Holders and the Trustee (but will not be required to file such information with the SEC), in each case within the time periods that would apply if the Company were required to file such information with the SEC.

For purposes of this covenant, the Company will be deemed to have provided a required report to Holders and the Trustee if it has timely filed such report with the SEC via the EDGAR filing system (or any successor system).

Notwithstanding the foregoing, if any parent of the Company becomes a guarantor of the Notes (there being no obligation of such parent to do so), the reports, information and other documents required to be filed and provided as described above may, at the option of the Company, be filed by and be those of the parent, rather than those of the Company; *provided* that such reports include a reasonable explanation of the material differences (if any) between the assets, liabilities and results of operations of such parent and its consolidated Subsidiaries, on the one hand, and the Company and its Restricted Subsidiaries, on the other hand.

At any time when the Company is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act and to the extent not satisfied by the foregoing, for so long as any Notes are outstanding, the Company will furnish to Holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act. For the avoidance of doubt, this covenant will not require the Company or the Restricted Subsidiaries to provide or file any information pursuant to the Sarbanes-Oxley Act of 2002 and the related rules and regulations of the SEC that would not otherwise be applicable to them.

To the extent that any reports or other information is not furnished within the time periods specified above and such reports or other information is subsequently furnished prior to the time such failure results in an Event of Default, the Company will be deemed to have satisfied its obligations with respect thereto and any Default with respect thereto shall be deemed to have been cured.

At any time that any of the Company's Subsidiaries are Unrestricted Subsidiaries, if any such Unrestricted Subsidiary or group of Unrestricted Subsidiaries, taken together as one Subsidiary, would constitute a Significant Subsidiary of the Company, then the quarterly and annual financial information required pursuant to this "Reports and Other Information" covenant will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, or in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" or other comparable section, of the financial condition and results of operations of the Company and Restricted Subsidiaries separate from the financial condition and results of operations of such Unrestricted Subsidiaries.

Events of Default and Remedies

The Indenture will provide that each of the following is an Event of Default:

- (1) default in payment when due and payable (whether at maturity, upon redemption, acceleration or otherwise) of principal of, or premium, if any, on the Notes;
- (2) default for 30 days or more in the payment when due of interest on or with respect to the Notes;
- (3) failure by the Company or any Subsidiary Guarantor for 60 days after receipt of written notice given by the Trustee or the Holders of not less than 25% of the aggregate principal amount of the then outstanding Notes (with a copy to the Trustee) to comply with any of its other obligations, covenants or agreements (other than a default referred to in clauses (1) and (2) above) contained in the Indenture or the Notes;
- (4) default under any mortgage, indenture or instrument under which there is issued or by which there is secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries or the payment of which is guaranteed by the Company or any of its Restricted Subsidiaries, other than Indebtedness owed to the Company or a Restricted Subsidiary, whether such Indebtedness or guarantee now exists or is created after the issuance of the Notes, if both:
 - (a) such default either results from the failure to pay any principal of such Indebtedness at its stated final maturity (after giving effect to any applicable grace periods) or relates to an obligation other than the obligation to pay principal of any such Indebtedness at its stated final maturity and results in the holder or holders of such Indebtedness causing such Indebtedness to become due prior to its stated maturity; and

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- (b) the principal amount of such Indebtedness, together with the principal amount of any other such Indebtedness in default for failure to pay principal at stated final maturity (after giving effect to any applicable grace periods), or the maturity of which has been so accelerated, aggregates \$100.0 million or more;
- (5) failure by the Company or any Significant Subsidiary to pay final judgments for the payment of money aggregating in excess of \$100.0 million, which final judgments remain unpaid, undischarged and unstayed for a period of more than 60 days after such judgment becomes final and non-appealable, and in the event such judgment is covered by insurance, an enforcement proceeding has been commenced by any creditor upon such judgment or decree which is not promptly stayed;
- (6) certain events of bankruptcy or insolvency with respect to the Company or any Significant Subsidiary; or
- (7) (i) the Guarantee of any Significant Subsidiary shall for any reason cease to be in full force and effect or be declared null and void, or (ii) any responsible officer of any Subsidiary Guarantor that is a Significant Subsidiary denies in writing that it has any further liability under its Guarantee or gives notice to such effect, other than by reason of the termination of the Indenture or the release of any such Guarantee in accordance with the Indenture.

If any Event of Default (other than of a type specified in clause (6) above) occurs and is continuing under the Indenture, the Trustee or the Holders of not less than 25% of the aggregate principal amount of all then outstanding Notes may declare the principal, premium, if any, interest and any other monetary obligations on all the then outstanding Notes to be due and payable immediately.

Upon the effectiveness of such declaration, such principal of and premium, if any, and interest will be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising under clause (6) of the first paragraph of this section, all outstanding Notes will become due and payable without further action or notice on the part of the Trustee or any Holder. The Indenture will provide that the Trustee may withhold from the Holders notice of any continuing Default, except a Default relating to the payment of principal, premium, if any, or interest, if it determines that withholding notice is in their interest. In addition, the Trustee will have no obligation to accelerate the Notes.

The Indenture will provide that the Holders of a majority of the aggregate principal amount of all then outstanding Notes, by notice to the Trustee, may on behalf of the Holders of all of the Notes waive any existing Default and its consequences under the Indenture except a continuing Default in the payment of interest on, premium, if any, or the principal of any Note held by a non-consenting Holder and rescind any acceleration with respect to the Notes and its consequences (*provided* such rescission would not conflict with any judgment or decree of a court of competent jurisdiction).

In the event of any Event of Default specified in clause (4) above, such Event of Default and all consequences thereof (excluding any resulting payment default, other than as a result of acceleration of the Notes) shall be annulled, waived and rescinded, automatically and without any action by the Trustee or the Holders, if within 30 days after such Event of Default arose:

- (1) the Indebtedness or guarantee that is the basis for such Event of Default has been discharged;
- (2) holders thereof have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to such Event of Default; or
- (3) the default that is the basis for such Event of Default has been cured.

The Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders of the Notes unless the Holders have offered to the Trustee indemnity or security satisfactory to the Trustee against any loss, liability or expense. Except to enforce the right to receive

payment of principal, premium (if any) or interest when due, no Holder of a Note may pursue any remedy with respect to the Indenture or the Notes unless:

- (1) such Holder has previously given the Trustee notice that an Event of Default is continuing;
- (2) holders of at least 25% in the aggregate principal amount of all then outstanding Notes have requested the Trustee to pursue the remedy;
- (3) Holders of the Notes have offered the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense;
- (4) the Trustee has not complied with such request within 60 days after the receipt thereof and the offer of security or indemnity; and
- (5) holders of a majority in principal amount of all then outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

Subject to certain restrictions contained in the Indenture, the Holders of a majority in principal amount of the total outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that is unduly prejudicial to the rights of any other Holder of a Note or that would involve the Trustee in personal liability.

The Indenture will provide that the Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company is required, within 30 days of becoming aware of any continuing Default, to deliver to the Trustee a statement specifying such Default and steps to be taken to cure such Default.

No Personal Liability of Directors, Officers, Employees and Stockholders

No present, past or future director, officer, employee, member, partner, incorporator or equityholder of the Company, any Guarantor or any Subsidiary of the Company or any of their respective direct or indirect parent companies (except for the Company or any Subsidiary in its capacity as obligor or guarantor in respect of the Notes and not in its capacity as equityholder of any Subsidiary Guarantor) shall have any liability for any obligations of the Company or the Guarantors under the Notes, the Guarantees, the Indenture or for any claim based on, in respect of, or by reason of such obligations or their creation. Each Holder by accepting the Notes waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the federal securities laws and it is the view of the SEC that such waiver is against public policy.

Legal Defeasance and Covenant Defeasance

The Obligations of the Company and the Guarantors with respect to the Notes under the Indenture, the Notes or the Guarantees, as the case may be, will terminate (other than certain obligations) and will be released upon payment in full of all of the Notes. The Company may, at its option and at any time, elect to have all of its Obligations discharged with respect to the Notes and have each Guarantor's obligation discharged with respect to its Guarantee ("Legal Defeasance") and cure all then existing Events of Default except for:

- (1) the rights of Holders of Notes to receive payments in respect of the principal of, premium, if any, and interest on the Notes when such payments are due solely out of the trust created pursuant to the Indenture;
- (2) the Company's Obligations with respect to Notes concerning issuing temporary Notes, registration of such Notes, replacement of mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

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- (3) the rights and immunities of the Trustee, and the Company's obligations in connection therewith; and
- (4) the Legal Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have its obligations and those of each Guarantor released with respect to substantially all the restrictive covenants that are set forth in the Indenture ("Covenant Defeasance") and thereafter any omission to comply with such obligations shall not constitute a Default with respect to the Notes. In the event Covenant Defeasance occurs, each Guarantor shall be released from its Guarantee and certain events (not including bankruptcy, receivership, rehabilitation and insolvency events pertaining to the Company) described under "— Events of Default and Remedies" will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance with respect to the Notes:

- (1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in U.S. dollars, Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest due on the Notes on the stated maturity date or on the redemption date, as the case may be, of such principal, premium, if any, or interest on the Notes and the Company must specify whether the Notes are being defeased to maturity or to a particular redemption date;
- (2) in the case of Legal Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel confirming that, subject to customary assumptions and exclusions,
 - (a) the Company has received from, or there has been published by, the United States Internal Revenue Service a ruling, or
 - (b) since the issuance of the Notes, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, subject to customary assumptions and exclusions, the Holders of such Notes will not recognize income, gain or loss for U.S. federal income tax purposes, as applicable, as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;
- (3) in the case of Covenant Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel confirming that, subject to customary assumptions and exclusions, the Holders of such Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to such tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;
- (4) no Default (other than that resulting from borrowing funds to be applied to make the deposit required to effect such Legal Defeasance or Covenant Defeasance and any similar and simultaneous deposit relating to other Indebtedness and, in each case, the granting of Liens in connection therewith) shall have occurred and be continuing on the date of such deposit;
- (5) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, the Senior Secured Credit Facilities or any other material agreement or instrument (other than the Indenture) to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound (other than that resulting with respect to any Indebtedness being defeased from any borrowing of funds to be applied to make the deposit required to effect such Legal Defeasance or Covenant Defeasance and any similar and simultaneous deposit relating to such Indebtedness, and the granting of Liens in connection therewith);
- (6) the Company shall have delivered to the Trustee an Officer's Certificate stating that the deposit was not made by the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or any Guarantor or others; and

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- (7) the Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel (which Opinion of Counsel may be subject to customary assumptions and exclusions) each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance, as the case may be, have been complied with.

Notwithstanding the foregoing, the Opinion of Counsel required by clause (2) above with respect to a Legal Defeasance need not be delivered if all Notes not therefore delivered to the Trustee for cancellation (x) have become due and payable, or (y) will become due and payable on the maturity date within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in our name, and at our expense.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Notes, when:

- (1) either
- (a) all Notes theretofore authenticated and delivered, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust, have been delivered to the Trustee for cancellation; or
 - (b) all Notes not theretofore delivered to the Trustee for cancellation have become due and payable by reason of the making of a notice of redemption or otherwise, will become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company and the Company or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders cash in U.S. dollars, Government Securities, or a combination thereof, in such amounts as will be sufficient without consideration of any reinvestment of interest to pay and discharge the entire indebtedness on the Notes not theretofore delivered to the Trustee for cancellation for principal, premium, if any, and accrued interest to the date of maturity or redemption;
- (2) the Company has paid or caused to be paid all sums payable by it under the Indenture; and
- (3) the Company has delivered irrevocable instructions to the Trustee to apply the deposited money toward the payment of the Notes at maturity or the redemption date, as the case may be.

The Trustee will acknowledge the satisfaction and discharge of the Indenture if we have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel each stating that all conditions precedent to satisfaction and discharge have been complied with.

Amendment, Supplement and Waiver

Except as provided below, the Indenture, any Guarantee and the Notes may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the Notes then outstanding, including consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes and any existing Default or compliance with any provision of the Indenture or the Notes issued thereunder may be waived with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding, other than Notes beneficially owned by the Company or its Affiliates (including consents obtained in connection with a purchase of or tender offer or exchange offer for the Notes).

The Indenture will provide that, without the consent of each affected Holder of Notes, an amendment or waiver may not, with respect to any Notes held by a non-consenting Holder:

- (1) make any change in the percentage of the principal amount of the Notes required for amendments or waivers;

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- (2) reduce the principal of or change the fixed final maturity of any Note or change the date on which any Notes may be subject to redemption or reduce the redemption price therefor;
- (3) reduce the rate of or change the time for payment of interest on any Note;
- (4) (A) waive a Default in the payment of principal of or premium, if any, or interest on the Notes, except a rescission of acceleration of the Notes by the Holders of a majority in aggregate principal amount of all then outstanding Notes, and a waiver of the payment default that resulted from such acceleration, or (B) waive a Default in respect of a covenant or provision contained in the Indenture or any Guarantee which cannot be amended or modified without the consent of all Holders;
- (5) make any Note payable in money other than U.S. dollars;
- (6) make any change in these amendment and waiver provisions;
- (7) impair the right of any Holder to receive payment of principal of, premium, if any, or interest on such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Notes or the Guarantees; or
- (8) make any change to or modify the ranking of the Notes that would adversely affect the Holders thereof.

Notwithstanding the foregoing, the Company, any Guarantor (with respect to a Guarantee or the Indenture to which it is a party) and the Trustee may amend or supplement the Indenture and any Guarantee or Notes without the consent of any Holder:

- (1) to cure any ambiguity, omission, mistake, defect or inconsistency;
- (2) to provide for uncertificated Notes in addition to or in place of certificated Notes or to alter the provisions of the Indenture relating to the form of the Notes (including the related definitions) in a manner that does not materially adversely affect any Holder (as determined in good faith by the Company (which determination shall be conclusive));
- (3) to comply with the covenant relating to mergers, consolidations and sales of assets;
- (4) to provide for the assumption of the Company's or any Guarantor's obligations to the Holders;
- (5) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights under the Indenture of any such Holder (as determined in good faith by the Company (which determination shall be conclusive));
- (6) to add covenants for the benefit of the Holders or to surrender any right or power conferred upon the Company or any Guarantor;
- (7) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof;
- (8) to provide for the issuance of exchange notes or private exchange notes, which are identical to exchange notes except that they are not freely transferable;
- (9) to provide for the issuance of Additional Notes in accordance with the Indenture;
- (10) to add a Guarantor under the Indenture and to allow a Guarantor to execute a supplemental indenture or guarantee the Notes or to release a Guarantor in accordance with the terms of the Indenture;
- (11) to conform the text of the Indenture, Guarantees or the Notes to any provisions of this "Description of 2024 Exchange Notes" to the extent that such provision in this "Description of 2024 Exchange Notes" was intended to be a verbatim recitation of a provision of the Indenture, Guarantee or Notes (as determined in good faith by the Company (which determination shall be conclusive));
- (12) to make any amendment to the provisions of the Indenture relating to the transfer and legending of Notes as permitted by the Indenture, including to facilitate the issuance and administration of the

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Notes; *provided, however*, that (i) compliance with the Indenture as so amended would not result in Notes being transferred in violation of the Securities Act or any applicable securities law and (ii) such amendment does not materially and adversely affect the rights of Holders to transfer Notes (in each case, as determined in good faith by the Company (which determination shall be conclusive));

(13) to provide for the issuance of the Notes in a manner consistent with the terms of the Indenture; or

(14) to comply with requirements of the SEC in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment or waiver. It is sufficient if such consent approves the substance of the proposed amendment or waiver.

For purposes of determining whether the Holders of the requisite principal amount of Notes have taken any action under the Indenture, the principal amount of Notes shall be deemed to be the principal amount of Notes as of (i) if a record date has been set with respect to the taking of such action, such date or (ii) if no such record date has been set, the date the taking of such action by the Holders of such requisite principal amount is certified to the Trustee by the Company.

Notices

Notices given by publication or electronic delivery will be deemed given on the first date on which publication or electronic delivery is made and notices given by first-class mail, postage prepaid, will be deemed given five calendar days after mailing or transmitting.

Concerning the Trustee

The Indenture will contain certain limitations on the rights of the Trustee thereunder, should it become a creditor of the Company, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; *however*, if it acquires any conflicting interest, it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as Trustee or resign.

The Indenture will provide that the Holders of a majority in principal amount of all then outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture will provide that in case an Event of Default shall occur (which shall not be cured), the Trustee will be required, in the exercise of the rights and powers vested in it by the Indenture, to use the degree of care of a prudent person in the conduct of his own affairs. The Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of the Notes, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to the Trustee against any loss, liability or expense.

Governing Law

The Indenture, the Notes and any Guarantee will be governed by and construed in accordance with the laws of the State of New York.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. For purposes of the Indenture, unless otherwise specifically indicated, the term “consolidated” with respect to any Person refers to such Person consolidated with its Restricted Subsidiaries, and excludes from such consolidation any Unrestricted Subsidiary as if such Unrestricted Subsidiary were not an Affiliate of such Person.

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“Acquired Indebtedness” means, with respect to any specified Person,

- (1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Restricted Subsidiary of such specified Person, including Indebtedness incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Restricted Subsidiary of such specified Person, and
- (2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this Description of 2024 Exchange Notes, “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

“Applicable Premium” means, with respect to any Note on any date of redemption, the greater of:

- (1) 1.0% of the then outstanding principal amount of such Note; and
- (2) the excess, if any, of (a) the present value at such date of redemption of (i) the redemption price of such Note at July 15, 2019 (such redemption price being set forth in the table appearing above under the heading “—Optional Redemption”) plus (ii) all required interest payments due on such Note through, July 15 2019 (excluding accrued but unpaid interest to the date of redemption), computed using a discount rate equal to the Treasury Rate as of such date of redemption plus 50 basis points; over (b) the then outstanding principal amount of such Note.

“Ashland Chemco” means Ashland Chemco Inc., a Delaware corporation.

“Ashland Chemco Internal Spin-Off” means the distribution by Valvoline of the shares of Ashland Chemco, a newly formed entity that will ultimately be the direct parent of Ashland, to Ashland Global, such that Ashland Global holds the Valvoline Business exclusively through Valvoline and Ashland Global holds Ashland and the Chemicals Business exclusively through Ashland Chemco.

“Ashland Global” means Ashland Global Holdings Inc., a Delaware corporation.

“Ashland Reorganization” means the reorganization of Ashland, Valvoline and their respective subsidiaries under a new public holding company, Ashland Global.

“Asset Sale” means:

- (1) the sale, conveyance, transfer or other disposition, whether in a single transaction or a series of related transactions, of property or assets (including by way of a Sale and Lease-Back Transaction) of the Company or any of its Restricted Subsidiaries (each referred to in this definition as a “disposition”); or
- (2) the issuance or sale of Equity Interests of any Restricted Subsidiary (other than Preferred Stock of Restricted Subsidiaries issued in compliance with the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”), whether in a single transaction or a series of related transactions;

in each case, other than:

- (a) any disposition of Cash Equivalents or Investment Grade Securities, obsolete or worn-out property or equipment in the ordinary course of business or any disposition of inventory or goods (or other assets) held for sale or no longer used in the ordinary course of business;

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- (b) the disposition of all or substantially all of the assets of the Company in a manner permitted pursuant to the provisions described above under “—Certain Covenants—Merger, Consolidation or Sale of All or Substantially All Assets” or any disposition that constitutes a Change of Control pursuant to the Indenture;
- (c) the making of any Restricted Payment or Permitted Investment that is permitted to be made, and is made, under the covenant described above under “—Certain Covenants—Limitation on Restricted Payments”;
- (d) any disposition of assets or issuance or sale of Equity Interests of any Restricted Subsidiary in any transaction or series of transactions with an aggregate fair market value of less than \$25.0 million;
- (e) any disposition of property or assets or issuance of securities by a Restricted Subsidiary of the Company to the Company or by the Company or a Restricted Subsidiary of the Company to another Restricted Subsidiary of the Company;
- (f) to the extent allowable under Section 1031 of the Internal Revenue Code of 1986, as amended, or comparable law or regulation, any exchange of like property (excluding any boot thereon) for use in a Similar Business;
- (g) the lease, assignment or sub-lease of any real or personal property in the ordinary course of business or to the extent required by, or made pursuant to, customary buy/sell arrangements between joint venture parties set forth in any joint venture or similar binding agreement;
- (h) any issuance or sale of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;
- (i) foreclosures, condemnations or any similar action with respect to assets or the granting of Liens not prohibited by the Indenture;
- (j) any financing transaction with respect to the acquisition or construction of property by the Company or any Restricted Subsidiary after the Issue Date, including Sale and Lease-Back Transactions, and asset securitizations permitted by the Indenture;
- (k) (i) the licensing and sub-licensing of intellectual property or other general intangibles in the ordinary course of business or consistent with past practice and (ii) a grant of a license to use the Company’s or any Restricted Subsidiary’s patents, trade secrets, know-how or other intellectual property to the extent that such license does not limit in any material respect the licensor’s use of the patent, trade secret, know-how or other intellectual property in the Company’s business;
- (l) the sale, discount or other disposition of inventory, accounts receivable or notes receivable in the ordinary course of business or the conversion of accounts receivable to notes receivable;
- (m) any surrender or waiver of contract rights or the settlement, release or surrender of contract rights or other litigation claims in the ordinary course of business;
- (n) any contribution, sale, conveyance, transfer or other disposition of Securitization Assets to a Securitization Special Purpose Entity as part of, pursuant to or in connection with a Qualified Securitization Transaction; and
- (o) any disposition of assets effected pursuant to the Transactions.

“Asset Sale Offer” has the meaning set forth in the fourth paragraph under “—Repurchase at the Option of Holders—Asset Sales.”

“Assumption” has the meaning specified in the second paragraph of this “Description of 2024 Exchange Notes.”

“Attributable Indebtedness” means, on any date, but without duplication, (a) in respect of any Capitalized Lease Obligation of any Person, the capitalized amount thereof that would appear on a balance sheet of such

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Person prepared as of such date in accordance with GAAP, (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease or similar payments under the relevant lease or other applicable agreement or instrument that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease or other agreement or instrument were accounted for as a Capitalized Lease Obligation and (c) all Synthetic Debt of such Person.

“board of directors” means, with respect to a corporation, the board of directors of the corporation, and, with respect to any other Person, the board or committee of such Person, or board of directors of the general partner or general manager of such Person, serving a similar function.

“Business Day” means each day that is not a Legal Holiday.

“Calculation Date” means the date on which the event for which the calculation of the Consolidated Net Leverage Ratio, Consolidated First Lien Net Leverage Ratio or the Fixed Charge Coverage Ratio, as applicable, shall occur.

“Capital Stock” means:

- (1) in the case of a corporation, corporate stock;
- (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;
- (3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and
- (4) any other interest or participation (including, without limitation, quotas) that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

“Capitalized Lease Obligation” means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP.

“Cash Equivalents” means:

- (1) readily marketable obligations issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof having maturities of not more than 360 days from the date of acquisition thereof; *provided* that the full faith and credit of the United States is pledged in support thereof;
- (2) time deposits with, or insured certificates of deposit or bankers’ acceptances of, any commercial bank that (i) (A) is a lender under the Senior Secured Credit Facilities or (B) is organized under the laws of the United States, any State thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any State thereof or the District of Columbia, and is a member of the Federal Reserve System, (ii) issues (or the parent of which issues) commercial paper rated as described in clause (3) of this definition and (iii) has combined capital and surplus of at least \$1,000,000,000, in each case with maturities of not more than 360 days from the date of acquisition thereof;
- (3) commercial paper issued by any Person organized under the laws of any State of the United States and rated at least “Prime-2” (or the then equivalent grade) by Moody’s or at least “A-2” (or the then equivalent grade) by S&P, in each case with maturities of not more than 360 days from the date of acquisition thereof;
- (4) Investments, classified in accordance with GAAP as current assets of the Company or any of its Restricted Subsidiaries, in money market investment programs registered under the Investment

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Company Act of 1940, which are administered by financial institutions that have the highest rating obtainable from either Moody's or S&P, and the portfolios of which are limited solely to Investments of the character, quality and maturity described in clauses (1), (2) and (3) of this definition;

- (5) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (1) above and entered into with a financial institution satisfying the criteria described in clause (2) above; and
- (6) in the case of any Foreign Subsidiary, investments which are similar to the items specified in subsections (1) through (5) of this definition made in the ordinary course of business.

“Change of Control” means the occurrence of any one of the following:

- (1) the sale, lease or transfer, in one or a series of related transactions, of all or substantially all of the property and assets of the Company and its Subsidiaries, taken as a whole, to any Person other than the Company or any of its Subsidiaries; or
- (2) the Company becomes aware of (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) the acquisition by any Person or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act, or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act), in a single transaction or in a related series of transactions, by way of acquisition, merger, amalgamation, consolidation, transfer, conveyance or other business combination or purchase of ultimate beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Company, other than by virtue of (a) the imposition of one or more holding companies (including in connection with a business combination and regardless of whether any such holding company has other assets) or (b) the reincorporation of the Company in another jurisdiction, if in the case of either (a) or (b) the beneficial owners of the Voting Stock of the Company immediately prior to such transaction directly or indirectly hold a majority of the voting power of the Voting Stock of such holding company or reincorporation entity immediately thereafter.

For the purposes of this definition, the term “Person” shall be defined as that term is used in Section 13(d)(3) of the Exchange Act and the term “beneficial owner” shall be defined as that term is used in Rules 13d-3 and 13d-5 under the Exchange Act.

“Chemicals Business” means Ashland’s specialty ingredients and performance materials businesses.

“Consolidated Depreciation and Amortization Expense” means, with respect to any Person for any period, the total amount of depreciation and amortization expense and capitalized fees related to any Qualified Securitization Transaction or a Receivables Facility and amortization of intangible assets, debt issuance costs, commissions, fees and expenses, including the amortization of deferred financing fees of such Person and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP (excluding, in each case, amortization expense attributable to a prepaid cash item that was paid in a prior period).

“Consolidated First Lien Net Leverage Ratio” means, as of the applicable Calculation Date, the ratio of (a) the Consolidated Indebtedness of the Company and its Restricted Subsidiaries that is secured on a first priority basis as of such date of determination less Unrestricted Cash of the Company and its Restricted Subsidiaries as of such Calculation Date (in each case, determined after giving pro forma effect to such incurrence of Indebtedness, and each other incurrence, assumption, guarantee, redemption, retirement and extinguishment of Indebtedness as of such Calculation Date) to (b) EBITDA of the Company and its Restricted Subsidiaries for the most recent four fiscal quarter period ending immediately prior to such Calculation Date for which internal financial statements are available. For purposes of determining the “Consolidated First Lien Net

Leverage Ratio,” “EBITDA” shall be subject to the adjustments applicable to “EBITDA” as provided for in the definition of “Fixed Charge Coverage Ratio.”

“Consolidated Indebtedness” means, as of any date of determination, for the Company and its Restricted Subsidiaries on a consolidated basis, the sum of, without duplication (a) the outstanding principal amount of all obligations (as calculated under GAAP), whether current or long-term, for borrowed money (including Obligations in respect of the Indebtedness hereunder), reimbursement obligations for amounts drawn under letters of credit and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments, (b) all direct (but, for the avoidance of doubt, not contingent) obligations arising under bankers’ acceptances and bank guaranties, (c) all Attributable Indebtedness, and (d) without duplication, all guarantees with respect to outstanding Indebtedness of the types specified in clauses (a) through (c) above of Persons other than the Company or any Restricted Subsidiary. For purposes hereof, the Consolidated Indebtedness of the Company and the Restricted Subsidiaries shall include any of the items in clauses (a) through (d) above of any other entity (including any partnership in which the Company or any consolidated Subsidiary is a general partner) to the extent the Company or such consolidated Subsidiary is liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of that item expressly provide that such Person is not liable therefor. For all purposes hereunder, Consolidated Indebtedness shall (i) be calculated on a *pro forma* basis unless otherwise specified and (ii) include all outstandings of the Company and its Restricted Subsidiaries under any Receivables Facility. Notwithstanding the foregoing, the principal amount outstanding at any time of any Indebtedness included in Consolidated Indebtedness issued with original issue discount shall be the principal amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP, but such Indebtedness shall be deemed incurred only as of the date of original issuance thereof.

“Consolidated Interest Expense” means, as of any date of determination for any period, the excess of (a) the sum, without duplication, of (i) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, (ii) cash payments made in respect of obligations referred to in clause (b)(ii) below, (iii) the portion of rent expense under Capitalized Lease Obligations that is treated as interest in accordance with GAAP, in each case, of or by the Company and its Restricted Subsidiaries on a consolidated basis at such determination date, (iv) all interest, premium payments, debt discount, fees, charges and related expenses in connection with a Receivables Facility; (v) solely for the purpose of determining the ability to incur Indebtedness under the first paragraph of “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”, any interest expense of Indebtedness of another Person guaranteed by such Person or one or more of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries (as reasonably determined by such Person or one or more of its Restricted Subsidiaries, as applicable (which determination shall be conclusive)) and (vi) whether or not treated as interest expense in accordance with GAAP, all cash dividends or other distributions accrued (excluding dividends payable solely in Equity Interests (other than Disqualified Stock) of the Company) on any series of Disqualified Stock or any series of Preferred Stock during such period, minus (b) to the extent included in such consolidated interest expense at such determination date, the sum, without duplication, of (i) extinguishment charges relating to the early extinguishment of Indebtedness or obligations under Swap Contracts, (ii) noncash amounts attributable to the amortization of debt discounts or accrued interest payable in kind, (iii) noncash amounts attributable to amortization or write-off of capitalized interest or other financing costs paid in a previous period, (iv) interest income treated as such in accordance with GAAP and (v) fees and expenses, original issue discount and upfront fees, in each case of or by the Company and its Restricted Subsidiaries on a consolidated basis at such determination date.

“Consolidated Net Income” means, as of any date of determination, the Net Income (or loss) of the Company and its Restricted Subsidiaries on a consolidated basis for any period (determined on a *pro forma* basis

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for any period of time prior to the Assumption Date as if the Company and its Restricted Subsidiaries owned the Valvoline Business during such period of time); *provided* that Consolidated Net Income shall exclude:

- (a) solely for the purpose of determining the amount available for Restricted Payments under clause (3)(a) of the first paragraph of “—Certain Covenants—Limitation on Restricted Payments,” the Net Income of any Subsidiary during such period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of its organizational documents or any agreement, instrument or law applicable to such Subsidiary during such period (unless such restrictions on dividends or similar distributions have been legally and effectively waived), except that the Company’s equity in any net loss of any such Subsidiary for such period shall be included in determining Consolidated Net Income;
- (b) any after-tax income (or after-tax loss) for such period of any Person if such Person is not a Restricted Subsidiary, except that the Company’s equity in such income of any such Person for such period shall be included in Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to the Company or a Restricted Subsidiary as a dividend or other distribution (and in the case of a dividend or other distribution to a Restricted Subsidiary, such Restricted Subsidiary is not precluded from further distributing such amount to the Company as described in clause (a) of this proviso);
- (c) any after-tax gain or after-tax loss realized as a result of the cumulative effect of a change in accounting principles or the implementation of new accounting standards related to revenue and lease accounting;
- (d) any after-tax gain or after-tax loss attributable to any foreign currency hedging arrangements or currency fluctuations;
- (e) after-tax extinguishment charges relating to the early extinguishment of Indebtedness and obligations under Swap Contracts and after-tax extinguishment charges relating to upfront fees and original issue discount on Indebtedness;
- (f) any pension or other post-retirement after-tax gain or after-tax expense for such determination date; *provided* that Consolidated Net Income shall be reduced by the amount of any cash payments at such determination date relating to pension and other post-retirement costs (except for any payments made in respect of the pension funding in excess of the amount of required regulatory contributions at such determination date (as reasonably determined by the Company, which determination shall be conclusive)); and
- (g) any gains or losses or other financial impact from any restructuring related to, connected with, or in any way arising from the Transactions.

“Consolidated Net Leverage Ratio” means, as of the applicable Calculation Date, the ratio of (a) the Consolidated Indebtedness of the Company and its Restricted Subsidiaries as of such Calculation Date less Unrestricted Cash of the Company and its Restricted Subsidiaries as of such Calculation Date (in each case, determined after giving *pro forma* effect to such incurrence of Indebtedness, and each other incurrence, assumption, guarantee, redemption, retirement and extinguishment of Indebtedness as of such Calculation Date) to (b) EBITDA of the Company and its Restricted Subsidiaries for the most recent four fiscal quarter period ending immediately prior to such Calculation Date for which internal financial statements are available. For purposes of determining the “Consolidated Net Leverage Ratio,” “EBITDA” shall be subject to the adjustments applicable to “EBITDA” as provided for in the definition of “Fixed Charge Coverage Ratio.”

“Contingent Obligations” means, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends or other obligations that do not constitute Indebtedness (“primary obligations”) of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent,

- (1) to purchase any such primary obligation or any property constituting direct or indirect security therefor,

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- (2) to advance or supply funds
 - (a) for the purchase or payment of any such primary obligation, or
 - (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, or
- (3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

“Contribution” means the transfer by Ashland to the Company of substantially all of the historical assets and liabilities related to the Valvoline Business, as well as other assets and liabilities.

“Credit Facilities” means, with respect to the Company or any of its Restricted Subsidiaries, one or more debt facilities, including the Senior Secured Credit Facilities, or other financing arrangements (including, without limitation, commercial paper facilities or indentures), providing for revolving credit loans, term loans or letters of credit or other long-term indebtedness, including any notes, mortgages, guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof and any indentures or credit facilities or commercial paper facilities that replace, refund or refinance any part of the loans, notes, other credit facilities or commitments thereunder, including any such replacement, refunding or refinancing facility or indenture that increases the amount permitted to be borrowed thereunder or alters the maturity thereof (*provided* that such increase in borrowings is permitted under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”) or adds Restricted Subsidiaries as additional borrowers or guarantors thereunder and whether by the same or any other agent, lender, investor or group of lenders.

“Debtor Relief Laws” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Default” means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

“Designated Non-cash Consideration” means the fair market value of non-cash consideration received by the Company or a Restricted Subsidiary in connection with an Asset Sale that is so designated as Designated Non-cash Consideration pursuant to an Officer’s Certificate, setting forth the basis of such valuation, executed by the principal financial officer of the Company, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of or collection on such Designated Non-cash Consideration.

“Designated Preferred Stock” means Preferred Stock of the Company or any parent corporation thereof (in each case other than Disqualified Stock) that is issued for cash (other than to a Restricted Subsidiary or an employee stock ownership plan or trust established by the Company or any of its Subsidiaries) and is so designated as Designated Preferred Stock pursuant to an Officer’s Certificate executed by the principal financial officer of the Company on the issuance date thereof, the cash proceeds of which are excluded from the calculation set forth in clause (3) of the first paragraph of the “—Certain Covenants—Limitation on Restricted Payments” covenant.

“Disqualified Stock” means, with respect to any Person, any Capital Stock of such Person that, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable (other than solely as a result of a change of control or asset sale and other than if redeemable for Capital Stock of such Person that is not itself Disqualified Stock)

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pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than solely as a result of a change of control or asset sale and other than if redeemable for Capital Stock of such Person that is not itself Disqualified Stock), in whole or in part, in each case prior to the date that is 91 days after the maturity date of the Notes; *provided, however*, that if such Capital Stock is issued to any plan for the benefit of employees of the Company or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Company or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations.

“Domestic Restricted Subsidiary” means any Restricted Subsidiary that is organized or existing under the laws of the United States, any state thereof, or the District of Columbia other than any such Restricted Subsidiary that is a (a) direct or indirect Subsidiary of a Foreign Subsidiary or a Foreign Subsidiary Holding Company or (b) Foreign Subsidiary Holding Company.

“EBITDA” means, as of any date of determination for any period, an amount equal to Consolidated Net Income for such period plus

- (a) proceeds of business interruption insurance received during such period, but only to the extent not included in Consolidated Net Income plus
 - (b) the following to the extent deducted in calculating such Consolidated Net Income, but without duplication and in each case at such determination date:
 - (i) Consolidated Interest Expense;
 - (ii) the provision for federal, state, local and foreign income taxes payable;
 - (iii) Consolidated Depreciation and Amortization Expense;
 - (iv) asset impairment charges;
 - (v) expenses reimbursed by third parties (including through insurance and indemnity payments);
 - (vi) fees and expenses incurred in connection with the Transactions, any Receivables Facility, any proposed or actual issuance of any Indebtedness or Equity Interests (including upfront fees and original issue discount), or any proposed or actual acquisitions, investments, asset sales or divestitures permitted hereunder, in each case that are expensed;
 - (vii) non-cash restructuring and integration charges and cash restructuring and integration charges; *provided* that the aggregate amount of all cash restructuring and integration charges shall not exceed 15% of EBITDA for any twelve-month period, calculated immediately before giving effect to the addback in this clause (vii);
 - (viii) non-cash stock expense and non-cash equity compensation expense;
 - (ix) other expenses or losses, including purchase accounting entries such as the inventory adjustment to fair value, reducing such Consolidated Net Income which do not represent a cash item in such period or any future period;
 - (x) expenses or losses in respect of discontinued operations of the Company or any of its Restricted Subsidiaries;
 - (xi) any unrealized losses attributable to the application of “mark to market” accounting in respect of Swap Contracts; and
 - (xii) with respect to any Asset Sale for which pro forma effect is required to be given, any loss thereon;
- and minus

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- (c) the following to the extent included in calculating such Consolidated Net Income, but without duplication and in each case at such determination date:
- (i) federal, state, local and foreign income tax credits;
 - (ii) all non-cash gains or other items increasing Consolidated Net Income;
 - (iii) gains in respect of discontinued operations of the Company or any of its Restricted Subsidiaries;
 - (iv) any unrealized gains for such period attributable to the application of “mark to market” accounting in respect of Swap Contracts; and
 - (v) with respect to any Asset Sale for which pro forma effect is required to be given, any gain thereon.

“Equity Interests” means Capital Stock and all warrants, options or other rights to acquire Capital Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

“Equity Offering” means any public or private sale of common stock or Preferred Stock of the Company (excluding Disqualified Stock), other than:

- (1) the Proposed IPO;
- (2) public offerings with respect to the Company’s common stock registered on Form S-8; and
- (3) issuances to any Subsidiary of the Company or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Company.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

“fair market value” means, with respect to any asset or liability, the fair market value of such asset or liability as determined by the Company in good faith (which determination shall be conclusive).

“Fixed Charge Coverage Ratio” means, with respect to any Person for any period, the ratio of EBITDA of such Person for such period to the Consolidated Interest Expense of such Person for such period. In the event that the Company or any Restricted Subsidiary incurs, assumes, guarantees, redeems, retires or extinguishes any Indebtedness (other than Indebtedness incurred under any revolving credit facility unless such Indebtedness has been permanently repaid and has not been replaced) or issues or redeems Disqualified Stock or Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated but prior to or simultaneously with the event for which the calculation of the Fixed Charge Coverage Ratio is made, then the Fixed Charge Coverage Ratio shall be calculated giving *pro forma* effect to such incurrence, assumption, guarantee, redemption, retirement or extinguishment of Indebtedness, or such issuance or redemption of Disqualified Stock or Preferred Stock, as if the same had occurred at the beginning of the applicable four-quarter period.

For purposes of making the computation referred to above, Investments, acquisitions, dispositions, mergers, consolidations and disposed operations (as determined in accordance with GAAP) that have been made by the Company or any of its Restricted Subsidiaries during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Fixed Charge Coverage Ratio Calculation Date shall be calculated on a *pro forma* basis, assuming that all such Investments, acquisitions, dispositions, mergers, consolidations and disposed operations (and the change in any associated fixed charge obligations and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into the Company or any of its Restricted Subsidiaries since the beginning of such period shall have made any

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Investment, acquisition, disposition, merger, consolidation or disposed operation that would have required adjustment pursuant to this definition, then the Fixed Charge Coverage Ratio shall be calculated giving *pro forma* effect thereto for such period as if such Investment, acquisition, disposition, merger, consolidation or disposed operation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever *pro forma* effect is to be given to an Investment, acquisition, disposition, merger, consolidation, disposed operation or any other transaction, the *pro forma* calculations shall be made in good faith by a responsible financial or accounting officer of the Company (and may include, for the avoidance of doubt and without duplication, cost savings and operating expense reduction resulting from such Investment, acquisition, disposition, merger, consolidation, disposed operation or other transaction, in each case calculated in the manner described in the definition of “EBITDA” herein). If any Indebtedness bears a floating rate of interest and is being given *pro forma* effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the applicable Calculation Date had been the applicable rate for the entire period (taking into account any Swap Contracts applicable to such Indebtedness). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Company to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a *pro forma* basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period except as set forth in the first paragraph of this definition. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a Eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Company may designate.

“Foreign Subsidiary” means, with respect to any Person, any Subsidiary of such Person that is not organized or existing under the laws of the United States, any state thereof, or the District of Columbia and any direct or indirect Subsidiary of such Foreign Subsidiary.

“Foreign Subsidiary Holding Company” means, with respect to any Person, any Subsidiary of such Person substantially all of whose assets consist of Equity Interests and/or Indebtedness of one or more (a) Foreign Subsidiaries and/or (b) Subsidiaries described in this definition.

“GAAP” means generally accepted accounting principles in the United States of America which are in effect from time to time that are applicable as of the date of determination; *provided* that no effect shall be given to any change in GAAP arising out of a change described in the Accounting Standard Update Exposure Drafts related to leases (including capital leases) or any other substantially similar pronouncement.

“Government Securities” means securities that are:

- (1) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged;
- (2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which are not callable or redeemable at the option of the issuers thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act), as custodian with respect to any such Government Securities or a specific payment of principal of or interest on any such Government Securities held by such custodian for the account of the holder of such depository receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Government Securities or the specific payment of principal of or interest on the Government Securities evidenced by such depository receipt; or

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- (3) AAA rated money market mutual funds, where 100% of the holdings are in securities described in clauses (1) or (2) of this definition of Government Securities or repurchase agreements that are fully collateralized by securities described in clauses (1) or (2) of this definition of Government Securities.

“guarantee” means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business and Standard Securitization Undertakings), direct or indirect, in any manner (including letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness or other obligations.

“Guarantee” means the guarantee by any Guarantor of the Company’s Obligations under the Indenture and the Notes.

“Guarantor” means each Subsidiary Guarantor and any other Person that becomes a Guarantor in accordance with the terms of the Indenture.

“Holder” means the Person in whose name a Note is registered on the applicable registrar’s books.

“Indebtedness” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

- (1) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;
- (2) the maximum amount of all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers’ acceptances, bank guaranties, surety bonds and similar instruments, except to the extent that such instruments support Indebtedness of the type referred to in subclause (i) of the parenthetical in clause (4) of this defined term;
- (3) net obligations of such Person under any Swap Contract, other than any Swap Contract that pursuant to its terms may be satisfied by delivery of Equity Interests of the Company;
- (4) all obligations of such Person to pay the deferred purchase price of property or services (other than (i) trade accounts payable in the ordinary course of business, (ii) any earn-out or similar obligation that is a contingent obligation or that is not reasonably determinable as of the applicable date of determination and (iii) any earn-out or similar obligation that is not a contingent obligation and that is reasonably determinable as of the applicable date of determination to the extent that (A) such Person is indemnified for the payment thereof by a third party reasonably believed by such Person to be solvent or (B) amounts to be applied to the payment therefor are in escrow);
- (5) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;
- (6) (i) all Attributable Indebtedness of such Person and (ii) all obligations of such Person under any Receivables Facility; and
- (7) all guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the swap termination value thereof as of such date. Notwithstanding the foregoing, the principal amount outstanding at any time of any Indebtedness

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issued with original issue discount shall be the principal amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP, but such Indebtedness shall be deemed incurred only as of the date of original issuance thereof.

“Independent Financial Advisor” means an accounting, appraisal or investment banking firm of nationally recognized standing that is, in the good faith judgment of the Company, qualified to perform the task for which it has been engaged.

“Investment Grade Rating” means a rating equal to or higher than Baa3 (or the equivalent) by Moody’s and BBB- (or the equivalent) by S&P, or an equivalent rating by any other Rating Agency.

“Investment Grade Securities” means:

- (1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents);
- (2) debt securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Company and its Subsidiaries;
- (3) investments in any fund that invests exclusively in investments of the type described in clauses (1) and (2) (which fund may also hold immaterial amounts of cash pending investment or distribution thereof); and
- (4) corresponding instruments in countries other than the United States customarily utilized for high quality investments.

“Investments” means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees), advances or capital contributions (excluding accounts receivable, trade credit, advances to customers, commission, travel and similar advances to directors, officers, employees and consultants in each case made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet (excluding the footnotes) of the Company in the same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property. For purposes of the definition of “Unrestricted Subsidiary” and the covenant described under “—Certain Covenants—Limitation on Restricted Payments”:

- (1) “Investments” shall include the portion (proportionate to the Company’s equity interest in such Subsidiary) of the fair market value of the net assets of a Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; *provided, however*, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent “Investment” in an Unrestricted Subsidiary in an amount (if positive) equal to:
 - (a) the Company’s “Investment” in such Subsidiary at the time of such redesignation; less
 - (b) the portion (proportionate to the Company’s equity interest in such Subsidiary) of the fair market value of the net assets of such Subsidiary at the time of such redesignation; and
- (2) any property transferred to or from an Unrestricted Subsidiary shall be valued at its fair market value at the time of such transfer.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced by any dividend, distribution, interest payment, return of capital, repayment or other amount received in cash or Cash Equivalents by the Company or a Restricted Subsidiary in respect of such Investment.

“Issue Date” means July 20, 2016. For purposes of determining items outstanding, in existence or in effect on the Issue Date, the Assumption shall be deemed to have occurred on the Issue Date.

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“Legal Holiday” means a Saturday, a Sunday or a day on which commercial banking institutions are required to be closed in the State of New York or a place of payment with respect to the Notes.

“Lien” means, with respect to any asset, any mortgage, lien (statutory or otherwise), pledge, hypothecation, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction; *provided* that in no event shall an operating lease be deemed to constitute a Lien.

“Moody’s” means Moody’s Investors Service, Inc. and any successor to its rating agency business.

“Net Income” means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends.

“Net Proceeds” means the aggregate cash proceeds and Cash Equivalents received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale, including any cash and Cash Equivalents received upon the sale or other disposition of any Designated Non-cash Consideration received in any Asset Sale, net of the direct costs relating to such Asset Sale and the sale or disposition of such Designated Non-cash Consideration, including legal, accounting and investment banking fees, and brokerage and sales commissions, any relocation expenses incurred as a result thereof, taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements), amounts required to be applied to the repayment of Indebtedness secured by a Lien on such assets (other than required by clause (1) of the second paragraph of “—Repurchase at the Option of Holders—Asset Sales”) and any deduction of appropriate amounts to be provided by the Company or any of its Restricted Subsidiaries as a reserve in accordance with GAAP against any liabilities associated with the asset disposed of in such transaction and retained by the Company or any of its Restricted Subsidiaries after such sale or other disposition thereof, including pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction.

“Obligations” means any principal, interest (including any interest accruing subsequent to the filing of a petition in bankruptcy, reorganization or similar proceeding at the rate provided for in the documentation with respect thereto, whether or not such interest is an allowed claim under applicable state, federal or foreign law), premium, penalties, fees, indemnifications, reimbursements (including reimbursement obligations with respect to letters of credit and banker’s acceptances), damages and other liabilities, and guarantees of payment of such principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities, payable under the documentation governing any Indebtedness.

“Officer” means the Chairman of the board of directors, the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, the President, any Executive Vice President, Senior Vice President or Vice President, the Treasurer or the Secretary of the Company or a Guarantor.

“Officer’s Certificate” means a certificate signed on behalf of the Company by an Officer of the Company or on behalf of a Guarantor by an Officer of such Guarantor (or if such Guarantor is a general partnership, one of the partners of the Guarantor).

“Opinion of Counsel” means a written opinion from legal counsel who is acceptable to the Trustee. The counsel may be an employee of or counsel to the Company or a Subsidiary of the Company.

“Permitted Investment” means:

- (1) any Investment in the Company or any of its Restricted Subsidiaries or any Person that will become a Restricted Subsidiary as a result of such Investment;

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- (2) any Investment in cash or Cash Equivalents or Investment Grade Securities;
- (3) any Investment acquired after the Issue Date as a result of the acquisition by the Company or any Restricted Subsidiary of the Company of another Person, including by way of a merger, amalgamation or consolidation with or into the Company or any of its Restricted Subsidiaries in a transaction that is not prohibited by the provisions described under “—Certain Covenants—Merger, Consolidation or Sale of All or Substantially All Assets,” to the extent that such Investments were not made in anticipation or contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;
- (4) any Investment in securities or other assets, including earn-outs, not constituting Cash Equivalents or Investment Grade Securities and received in connection with an Asset Sale made pursuant to the first paragraph under “—Repurchase at the Option of Holders—Asset Sales” or any other disposition of assets not constituting an Asset Sale;
- (5) any Investment existing on the Issue Date or an Investment consisting of any extension, modification or renewal of any such Investment or made pursuant to binding commitments in effect on the Issue Date; *provided* that the amount of any such Investment may be increased pursuant to such extension, modification or renewal only (a) as required by the terms of such Investment or binding commitment as in existence on the Issue Date (including as a result of the accrual or accretion of interest or original issue discount or the issuance of pay-in-kind securities) or (b) as otherwise permitted under the Indenture;
- (6) any Investment acquired by the Company or any of its Restricted Subsidiaries:
 - (a) consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business;
 - (b) in exchange for any other Investment or accounts receivable, endorsements for collection or deposit held by the Company or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the issuer of such other Investment or accounts receivable (including any trade counterparty or customer);
 - (c) in satisfaction of judgments against other Persons; or
 - (d) as a result of a foreclosure by the Company or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;
- (7) Swap Contracts permitted under clause (10) of the second paragraph under the covenant described in “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
- (8) Investments the payment for which consists of Equity Interests (other than Disqualified Stock) of the Company; *provided, however*, that such Equity Interests will not increase the amount available for Restricted Payments under clause (3) of the first paragraph under the covenant described in “—Certain Covenants—Limitations on Restricted Payments”;
- (9) guarantees of Indebtedness permitted under the covenant described in “—Certain Covenants— Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
- (10) any transaction to the extent it constitutes an Investment that is permitted and made in accordance with the provisions of the second paragraph of the covenant described under “—Certain Covenants— Transactions with Affiliates” (except transactions described in clause (2), (4), (6), (8) or (12) of such paragraph);
- (11) Investments consisting of purchases and acquisitions of inventory, supplies, material or equipment;
- (12) additional Investments having an aggregate fair market value, taken together with all other Investments made pursuant to this clause (12) that are at that time outstanding, not to exceed \$200.0 million (with

the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

- (13) Investments (including debt obligations and Equity Interests) received in connection with the bankruptcy or reorganization of suppliers and customers or in settlement of delinquent obligations of, or other disputes with, customers and suppliers arising in the ordinary course of business or upon the foreclosure with respect to any secured Investment or other transfer of title with respect to any secured Investment;
- (14) Investments in joint ventures of the Company or any of its Restricted Subsidiaries in any calendar year in an aggregate amount invested, taken together with all other amounts invested pursuant to this clause (14) in such calendar year that are at that time outstanding not to exceed \$200.0 million, *provided* that in the event the Company or any of its Restricted Subsidiaries receives any dividend, distribution, interest payment, return of capital, repayment or other amount received in cash or Cash Equivalents in respect of any Investment made pursuant to this clause (14), an amount equal to such dividend, distribution, interest payment, return of capital, repayment or other amount received in cash or Cash Equivalents, not to exceed the original amount invested, shall be available for Investments under this clause (14) in the calendar year in which such return is received and thereafter;
- (15) [Reserved];
- (16) loans and advances to, or guarantees of Indebtedness of, officers, directors and employees not in excess of \$10.0 million outstanding at any one time, in the aggregate;
- (17) advances, loans or extensions of trade credit in the ordinary course of business by the Company or any of its Restricted Subsidiaries;
- (18) any Investment in any Subsidiary or any joint venture in connection with intercompany cash management arrangements or related activities arising in the ordinary course of business;
- (19) Investments consisting of purchases and acquisitions of assets or services in the ordinary course of business;
- (20) Investments made in the ordinary course of business in connection with obtaining, maintaining or renewing client contacts;
- (21) Investments in prepaid expenses, negotiable instruments held for collection and lease, utility and workers compensation, performance and similar deposits entered into as a result of the operations of the business in the ordinary course of business;
- (22) repurchases of Notes;
- (23) Investments in the ordinary course of business consisting of Uniform Commercial Code Article 3 endorsements for collection of deposit and Article 4 customary trade arrangements with customers;
- (24) Investments by the Company or any Restricted Subsidiary in a Securitization Special Purpose Entity or any Investment by a Securitization Special Purpose Entity in any other Person, in each case, as part of, pursuant to or in connection with a Qualified Securitization Transaction, including contributions of Securitization Assets to a Securitization Special Purpose Entity, the retention of interests in Securitization Assets contributed, sold, conveyed, transferred or otherwise disposed of to a Securitization Special Purpose Entity and Investments of funds held in accounts permitted or required by the arrangements governing such Qualified Securitization Transaction or any related Indebtedness;
- (25) Investments in the ordinary course of business in connection with joint marketing arrangements with another Person (including the licensing or contribution of intellectual property in connection therewith);
- (26) any Investment in a Similar Business having an aggregate fair market value, taken together with all other Investments made pursuant to this clause (26) that are at that time outstanding, not to exceed

\$125.0 million (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value); and

(27) Investments made as part of the Transactions.

“Permitted Liens” means, with respect to any Person:

- (1) pledges or deposits by such Person under workmen’s compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety or appeal bonds to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent, in each case incurred in the ordinary course of business;
- (2) Liens imposed by law, such as carriers’, warehousemen’s and mechanics’ Liens, in each case for sums not yet overdue for a period of more than 30 days or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;
- (3) Liens for taxes, assessments or other governmental charges not yet overdue for a period of more than 30 days or not yet payable or subject to penalties for nonpayment or which are being contested in good faith by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person to the extent required by GAAP;
- (4) Liens to secure the performance of statutory obligations or in favor of issuers of performance, surety, bid or appeal bonds or with respect to other regulatory requirements or letters of credit issued pursuant to the request of and for the account of such Person in the ordinary course of its business;
- (5) survey exceptions, title defects, encumbrances, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real properties or Liens incidental to the conduct of the business of such Person or to the ownership of its properties that, in all cases, were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;
- (6) Liens securing Indebtedness permitted to be incurred pursuant to clause (4), (10) or (27) of the second paragraph under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; *provided* that (a) Liens securing Indebtedness permitted to be incurred pursuant to clause (4) extend only to the assets or Capital Stock, the acquisition, lease, construction, repair, replacement or improvement of which is financed thereby and any replacements, additions and accessions thereto and any income or profits thereof and (b) Liens securing Indebtedness permitted to be incurred pursuant to clause (27) extend only to the assets of such Foreign Subsidiaries;
- (7) Liens existing on the Issue Date;
- (8) Liens on property or shares of stock of a Person at the time such Person becomes a Subsidiary; *provided, however*, such Liens are not created or incurred in connection with, or in anticipation or contemplation of, such other Person becoming such a Subsidiary; *provided further however* that such Liens may not extend to any other property owned by the Company or any of its Restricted Subsidiaries (other than after-acquired property of the acquired Person of the same nature as the property that is the subject of such Lien at the time such Person becomes a Subsidiary);
- (9) Liens on property at the time the Company or a Restricted Subsidiary acquired the property, including any acquisition by means of a merger or consolidation with or into the Company or any of its Restricted Subsidiaries; *provided, however*, that such Liens are not created or incurred in connection with, or in anticipation or contemplation of, such acquisition; *provided further however* that the Liens

may not extend to any other property owned by the Company or any of its Restricted Subsidiaries (other than after-acquired property of the acquired Person of the same nature as the property that is the subject of such Lien at the time such Person becomes a Subsidiary);

- (10) Liens securing Indebtedness or other obligations of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary permitted to be incurred in accordance with the covenant described under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
- (11) Liens on specific items of inventory of other goods and proceeds of any Person securing such Person’s obligations in respect of bankers’ acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;
- (12) leases, subleases, licenses or sublicenses granted to others in the ordinary course of business that do not materially interfere with the ordinary conduct of the business of the Company or any of its Restricted Subsidiaries and that do not secure any Indebtedness;
- (13) Liens arising from Uniform Commercial Code financing statement filings (or similar filings under applicable law) regarding operating leases, consignment of goods or similar arrangements entered into by the Company and its Restricted Subsidiaries in the ordinary course of business and Liens of a collecting bank arising in the ordinary course of business under Section 4-208 (or the applicable corresponding section) of the Uniform Commercial Code in effect in the relevant jurisdiction covering only the items being collected upon;
- (14) Liens in favor of the Company or any Subsidiary Guarantor;
- (15) Liens on equipment of the Company or any of its Restricted Subsidiaries granted in the ordinary course of business to the Company’s clients;
- (16) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancing, refunding, extension, renewal or replacement) as a whole, or in part, of any Indebtedness secured by any Lien referred to in the foregoing clause (6), (7), (8) or (9) to the extent that the Indebtedness secured by such new Lien is an amount equal to the sum of (i) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under clause (6), (7), (8) or (9) at the time the original Lien became a Permitted Lien under the Indenture, and (ii) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement; *provided, however*, that in each case such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property);
- (17) deposits made in the ordinary course of business to secure liability to insurance carriers;
- (18) other Liens securing obligations not to exceed \$300.0 million in aggregate principal amount at any one time outstanding;
- (19) Liens securing Indebtedness of any non-Guarantor Restricted Subsidiary permitted to be incurred under the Indenture, to the extent such Liens relate only to the assets and properties of a non-Guarantor Restricted Subsidiary (and for the avoidance of doubt, any Liens permitted by this clause (19) at the time of incurrence thereof shall continue to be permitted by this clause (19) if such non-Guarantor Restricted Subsidiary later provides a Guarantee of the Notes);
- (20) Liens securing judgments for the payment of money not constituting an Event of Default under clause (5)(b) under the heading “—Events of Default and Remedies” so long as such Liens are adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment have not been finally terminated or the period within which such proceedings may be initiated has not expired;
- (21) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

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- (22) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code or any comparable or successor provision on items in the course of collection, (ii) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business, and (iii) in favor of banking institutions arising as a matter of law encumbering deposits (including the right of setoff) and which are within the general parameters customary in the banking industry;
- (23) Liens deemed to exist in connection with Investments in repurchase agreements permitted under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; *provided* that such Liens do not extend to any assets other than those that are the subject of such repurchase agreement;
- (24) [Reserved];
- (25) Liens that are contractual rights of setoff (i) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (ii) relating to pooled deposit or sweep accounts or other cash management arrangements of the Company or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Company or any of its Restricted Subsidiaries in the ordinary course of business;
- (26) Liens securing Indebtedness and other obligations to the extent permitted to be incurred under Credit Facilities, including any letter of credit facility relating thereto, incurred pursuant to clause (1) of the second paragraph under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
- (27) any encumbrance or restriction (including put and call arrangements) with respect to capital stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;
- (28) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale or purchase of goods entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business;
- (29) Liens solely on any cash earnest money deposits made by the Company or any of its Restricted Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder;
- (30) Liens securing the Notes (other than any Additional Note) or the Guarantees thereof;
- (31) ground leases in respect of real property on which facilities owned or leased by the Company or any of its Subsidiaries are located;
- (32) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;
- (33) Liens on Capital Stock of an Unrestricted Subsidiary that secure Indebtedness or other obligations of such Unrestricted Subsidiary;
- (34) Liens on cash advances in favor of the seller of any property to be acquired in an Investment permitted under the Indenture to be applied against the purchase price for such Investment;
- (35) any interest or title of a lessor, sub-lessor, licensor or sub-licensor or secured by a lessor’s, sub-lessor’s, licensor’s or sub-licensor’s interest under leases or licenses entered into by the Company or any of the Restricted Subsidiaries in the ordinary course of business;
- (36) deposits of cash with the owner or lessor of premises leased and operated by the Company or any of its Subsidiaries in the ordinary course of business of the Company and such Subsidiary to secure the performance of the Company’s or such Subsidiary’s obligations under the terms of the lease for such premises;

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- (37) prior to the date on which a Permitted Investment is consummated, Liens arising from any escrow arrangement pursuant to which the proceeds of any equity issuance or other funds used to finance all or a portion of such Permitted Investment are required to be held in escrow pending release to consummate such Permitted Investment;
- (38) Liens in connection with contracts for the sale of assets, including customary provisions with respect to a Restricted Subsidiary of the Company pursuant to an agreement that has been entered into for the sale or disposition of any Capital Stock or assets of such Subsidiary;
- (39) Liens on trusts, cash or Cash Equivalents or other funds in connection with the defeasance (whether by covenant or legal defeasance), discharge or redemption of Indebtedness pending consummation of a strategic transaction, or similar obligations; *provided* that such defeasance, discharge or redemption is otherwise permitted by the Indenture;
- (40) Standard Securitization Undertakings and Liens on Securitization Assets or on assets of a Securitization Special Purpose Entity, in either case incurred in connection with a Qualified Securitization Transaction or a Receivables Facility, in each case, incurred in compliance with clause (24) of the second paragraph under the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” (for the avoidance of doubt, Liens permitted under this clause (40) shall include Liens in connection with the Company’s trade receivables securitization facility); and
- (41) any Liens arising from the Transactions.

In the event that a Permitted Lien meets the criteria of more than one of the types of Permitted Liens (at the time of incurrence or at a later date), the Company in its sole discretion may divide, classify or from time to time reclassify all or any portion of such Permitted Lien in any manner that complies with this definition and such Permitted Lien shall be treated as having been made pursuant only to the clause or clauses of the definition of Permitted Lien to which such Permitted Lien has been classified or reclassified.

“Person” means any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

“Preferred Stock” means any Equity Interest with preferential rights of payment of dividends or upon liquidation, dissolution, or winding up.

“Proposed IPO” means the initial public offering by Valvoline of shares of its common stock, which closed on September 28, 2016.

“Qualified Securitization Transaction” means any transaction or series of transactions entered into by the Company or any Restricted Subsidiary pursuant to which the Company or such Restricted Subsidiary contributes, sells, conveys, grants a security interest in or otherwise transfers to a Securitization Special Purpose Entity, and such Securitization Special Purpose Entity contributes, sells, conveys, grants a security interest in or otherwise transfers to one or more other Persons, any Securitization Assets (whether now existing or arising in the future) or any beneficial or participation interests therein.

“Rating Agencies” means Moody’s and S&P or if Moody’s or S&P or both shall not make a rating on the Notes publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Company which shall be substituted for Moody’s or S&P or both, as the case may be.

“Receivables Facility” means any receivables financing facilities or factoring (or reverse factoring) agreements or facilities, as amended, supplemented, modified, extended, renewed, restated or refunded from time to time, the obligations in respect of which are non-recourse (except for customary representations, warranties,

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covenants and indemnities made in connection with such facilities) to the Company or any of its Restricted Subsidiaries pursuant to which the Company or any of its Restricted Subsidiaries sells its accounts receivable to a Person that is not a Restricted Subsidiary. The term “Receivables Facility” does not include a Qualified Securitization Transaction.

“Registration Rights Agreement” means the Registration Rights Agreement dated the Assumption Date, among the Company, the Subsidiary Guarantors and Citigroup Global Markets Inc., as representative of the initial purchasers.

“Restricted Investment” means an Investment other than a Permitted Investment.

“Restricted Subsidiary” means, at any time, any direct or indirect Subsidiary of the Company (including any Foreign Subsidiary and Foreign Subsidiary Holding Company) that is not then an Unrestricted Subsidiary. Upon an Unrestricted Subsidiary ceasing to be an Unrestricted Subsidiary, such Subsidiary shall be a Restricted Subsidiary.

“S&P” means Standard & Poor’s, a division of S&P Global Inc., and any successor to its rating agency business.

“Sale and Lease-Back Transaction” means any arrangement providing for the leasing by the Company or any of its Restricted Subsidiaries of any real or tangible personal property, which property has been or is to be sold or transferred by the Company or such Restricted Subsidiary to a third Person in contemplation of such leasing.

“SEC” means the U.S. Securities and Exchange Commission.

“Second Step Spin-Off” means the distribution by Ashland Global of all shares of common stock of Valvoline held by Ashland Global to the holders of Ashland Global’s common stock following the completion of the Proposed IPO.

“Secured Indebtedness” means any Indebtedness of the Company or any of its Restricted Subsidiaries secured by a Lien.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

“Securitization Assets” means (i) all receivables, inventory or royalty or other revenue streams contributed, sold, conveyed, granted or otherwise transferred as part of, pursuant to or in connection with asset securitization transactions by the Company or any Restricted Subsidiary pursuant to agreements, instruments and other documents relating to any Qualified Securitization Transaction, (ii) all assets related to such receivables, inventory or royalty or other revenue streams, including rights arising under the contracts governing or related to such receivables, inventory or royalty or other revenue streams, rights in respect of collateral and Liens securing such receivables, inventory or royalty or other revenue streams and all contracts and contractual and other rights, guarantees and other credit support in respect of such receivables, inventory or royalty or other revenue streams, any proceeds of such receivables, inventory or royalty or other revenue streams and any lockboxes or accounts in which such proceeds are deposited, spread accounts and other similar accounts (and any amounts on deposit therein) established as part of, pursuant to or in connection with a Qualified Securitization Transaction, any warranty, indemnity, repurchase, dilution and other claim, arising out of the agreements, instruments and other documents relating to such Qualified Securitization Transaction and other assets that are transferred or in respect of which security interests are granted in connection with asset securitizations involving similar assets, and (iii) all collections (including recoveries) and other proceeds of the assets described in the foregoing clauses (i) and (ii).

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“Securitization Fees” means distributions or payments made directly or indirectly by means of discounts with respect to any Securitization Assets or beneficial or participation interests therein contributed, sold, conveyed, granted or otherwise transferred to, and other fees paid to a Person that is not a Restricted Subsidiary as part of, pursuant to or in connection with, any Qualified Securitization Transaction.

“Securitization Special Purpose Entity” means a Person (including, without limitation, a Restricted Subsidiary) created in connection with the transactions contemplated by a Qualified Securitization Transaction, which Person engages in no business or activities other than in connection with the acquisition, disposition and financing of Securitization Assets and any business or activities incidental or related thereto and holds no assets other than Securitization Assets and other assets incidental or related to such Qualified Securitization Transaction.

“Senior Indebtedness” means any Indebtedness of the Company or any Subsidiary Guarantor that ranks equal in right of payment with the Notes or the Guarantee of such Subsidiary Guarantor, as the case may be. For the avoidance of doubt, any Indebtedness of the Company or any Subsidiary Guarantor that is permitted to be incurred under the terms of the Indenture shall constitute Senior Indebtedness for the purposes of the Indenture unless the instrument under which such Indebtedness is incurred expressly provides that it is subordinate in right of payment to the Notes or any related Guarantee.

“Senior Secured Credit Facilities” means the Credit Agreement dated as of July 11, 2016, by and among the Company, The Bank Of Nova Scotia, as administrative agent, and the other agents and lenders party thereto, including any guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof.

“Separation” means collectively, the Ashland Chemco Internal Spin-Off, the Valvoline Reorganization, the Ashland Reorganization and the Transfer.

“Separation Documents” means each of the following agreements among Ashland, Ashland Global, the Company or their respective Subsidiaries, as the case may be, in connection with the separation and distribution to be dated as of or prior to the date of the Proposed IPO: the Separation Agreement, the Transition Services Agreement, the Reverse Transition Services Agreement, the Tax Matters Agreement, the Employee Matters Agreement, the Shared Environmental Liabilities Agreement and the Registration Rights Agreement (each as referred to in the Valvoline Inc. Registration Statement on Form S-1 (#333-211720), as filed on May 31, 2016) and any other instruments, assignments, documents and agreements executed in connection with the implementation of the Transactions.

“Significant Subsidiary” means any Restricted Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the Issue Date.

“Similar Business” means any business conducted or proposed to be conducted by the Company and its Subsidiaries on the Assumption Date or any business that is similar, reasonably related, incidental or ancillary thereto or a reasonable extension, development or expansion of such business.

“Standard Securitization Undertakings” means all representations, warranties, covenants, indemnities, performance guarantees and servicing obligations entered into by the Company or any Subsidiary (other than a Securitization Special Purpose Entity) that, taken as a whole, are customary in connection with a Qualified Securitization Transaction.

“Subordinated Indebtedness” means, with respect to the Notes,

- (1) any Indebtedness of the Company that is by its terms subordinated in right of payment to the Notes, and

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(2) any Indebtedness of any Subsidiary Guarantor that is by its terms subordinated in right of payment to the Guarantee of such entity of the Notes.

“Subsidiary” means, with respect to any Person:

- (1) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; and
- (2) any partnership, joint venture, limited liability company or similar entity of which
 - (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership or otherwise, and
 - (b) such Person or any Restricted Subsidiary of such Person is a general partner or otherwise controls such entity.

“Subsidiary Guarantor” means each Subsidiary of the Company that Guarantees the Notes in accordance with the terms of the Indenture.

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “Master Agreement”), including any such obligations or liabilities under any Master Agreement.

“Synthetic Debt” means, with respect to any Person as of any date of determination thereof, all obligations of such Person in respect of transactions entered into by such Person that are intended to function primarily as a borrowing of funds (including any minority interest transactions that function primarily as a borrowing) but are not otherwise included in the definition of “Indebtedness” or as a liability on the consolidated balance sheet of such Person and its Subsidiaries in accordance with GAAP.

“Synthetic Lease Obligation” means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property (including Sale and Lease-Back Transactions), in each case, creating obligations that do not appear on the balance sheet of such Person but which, upon the application of any Debtor Relief Laws to such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

“Total Assets” means the total assets of the Company and the Restricted Subsidiaries on a consolidated basis, as shown on the most recent consolidated balance sheet of the Company or such other Person as may be expressly stated, as the case may be (giving *pro forma* effect to any acquisitions or dispositions of assets or

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properties that have been made by the Company or any of its Restricted Subsidiaries subsequent to the date of such balance sheet, including through mergers or consolidations).

“Transactions” means, collectively, the Separation, the Contribution, the Assumption, the Proposed IPO and the Second Step Spin-Off.

“Transfer” means the transfer of certain assets and liabilities among Ashland, Ashland Global, Valvoline and their respective subsidiaries.

“Treasury Rate” means, as of any date of redemption, the yield to maturity as of such date of redemption of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 that has become publicly available at least two Business Days prior to the date of redemption (or in connection with a discharge, two Business Days prior to the date of deposit with the Trustee or paying agent, as applicable) (or, if such statistical release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the date of redemption to July 15, 2019; *provided, however*, that if the period from the date of redemption to the stated maturity date of the Notes to be redeemed is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

“Trust Indenture Act” means the Trust Indenture Act of 1939, as amended.

“Unrestricted Cash” means, at any time, all cash and Cash Equivalents held by the Company and its Restricted Subsidiaries at such time; *provided* that such cash and Cash Equivalents (a) do not appear (and would not be required to appear) as “restricted” on a consolidated balance sheet of the Company prepared in conformity with GAAP (unless such classification results solely from any Lien referred to in clause (b) below) and (b) are not controlled by or subject to any Lien or other preferential arrangement in favor of any creditor, other than Liens created under a Credit Facility.

“Unrestricted Subsidiary” means:

- (1) any Subsidiary of the Company that at the time of determination is an Unrestricted Subsidiary (as designated by the Company, as provided below); and
- (2) any Subsidiary of an Unrestricted Subsidiary.

The Company may designate any Subsidiary of the Company (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Equity Interests or Indebtedness of, or owns or holds any Lien on, any property of, the Company or any Subsidiary of the Company (other than solely any Subsidiary of the Subsidiary to be so designated); *provided* that

- (1) such designation complies with the covenant described under “—Certain Covenants—Limitation on Restricted Payments”; and
- (2) each of the Subsidiary to be so designated and its Subsidiaries has not at the time of designation, and does not thereafter, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of the Company or any Restricted Subsidiary.

The Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that, immediately after giving effect to such designation, no Default shall have occurred and be continuing and either:

- (1) the Company could incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test described in the first paragraph under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; or

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- (2) the Fixed Charge Coverage Ratio of the Company and its Restricted Subsidiaries would be greater than such ratio of the Company and its Restricted Subsidiaries immediately prior to such designation;

in each case on a *pro forma* basis taking into account such designation.

Any such designation by the Company shall be notified by the Company to the Trustee by promptly filing with the Trustee a copy of the resolution of the board of directors of the Company or any committee thereof giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing provisions.

Actions taken by an Unrestricted Subsidiary will not be deemed to have been taken, directly or indirectly, by the Company or any Restricted Subsidiary.

"Valvoline Business" means Ashland's automotive, commercial and industrial lubricant and automotive chemical business substantially as described in the Valvoline Inc. S-1 Registration Statement (#333-211720), as filed on May 31, 2016.

"Valvoline Reorganization" means the reorganization of the Valvoline Business such that Valvoline is the owner, directly or indirectly, of substantially all of the Valvoline Business.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness or Disqualified Stock, as the case may be, at any date, the number of years obtained by dividing:

- (1) the sum of the products of the number of years from the date of determination to the date of each successive scheduled principal payment of such Indebtedness or redemption or similar payment with respect to such Disqualified Stock multiplied by the amount of such payment; by
- (2) the sum of all such payments.

DESCRIPTION OF 2025 EXCHANGE NOTES

Certain terms used in this “Description of 2025 Exchange Notes” are defined under the subheading “Certain Definitions.” In this “Description of 2025 Exchange Notes,” (1) the term “the Company” refers only to Valvoline Inc., a Kentucky corporation, and not to any of its subsidiaries, and (2) the terms “we,” “our” and “us” each refer to the Company and its consolidated Subsidiaries.

The Company will issue the 2025 Exchange Notes under the indenture dated as of August 8, 2017 (the “2025 Indenture”) among itself, the Guarantors (as defined below) and U.S. Bank National Association, as trustee (the “Trustee”). On August 8, 2017, the Company issued \$400.0 million aggregate principal amount of the 2025 Restricted Notes under the 2025 Indenture. The 2025 Restricted Notes were issued in a private transaction that was not subject to the registration requirements of the Securities Act. The terms of the 2025 Exchange Notes to be issued in the exchange offers are substantially identical to the 2025 Restricted Notes, except that the transfer restrictions, registration rights and additional interest provision relating to the 2025 Restricted Notes will not apply to the 2025 Exchange Notes. In this section, the “Notes” refers to the 2025 Exchange Notes offered by this prospectus, any 2025 Restricted Notes that are outstanding after the exchange offers are completed and any Additional Notes (as defined below); and the “Indenture” refers to the 2025 Indenture. The terms of the Notes will be those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act.

The following description is a summary of the material provisions of the Notes and the Indenture and does not purport to be complete and is qualified in its entirety by reference to the provisions of the Indenture, including the definitions therein of certain terms used below. We urge you to read the Indenture because it, not this “Description of 2025 Exchange Notes,” will define your rights as Holders of the Notes. You may request a copy of the Indenture at our address set forth under the heading “Where You Can Find More Information.”

Brief Description of the Notes

The Notes:

- will be unsecured unsubordinated obligations of the Company;
- will be effectively subordinated to any existing or future Secured Indebtedness of the Company (including the Company’s existing and future Obligations under the Senior Secured Credit Facilities) to the extent of the value of the collateral securing such Secured Indebtedness;
- will be structurally subordinated to all existing and future Indebtedness, claims of holders of Preferred Stock and other liabilities of the Company’s Subsidiaries that do not guarantee the Notes;
- will rank equal in right of payment with all existing and future Senior Indebtedness of the Company;
- will be senior in right of payment to any future Subordinated Indebtedness of the Company; and
- will be guaranteed on an unsecured unsubordinated basis by the Guarantors, as described under “—Guarantees.”

As of the date of this prospectus, all of the Company’s Subsidiaries are “Restricted Subsidiaries.” However, under certain circumstances, the Company is permitted to designate certain of its subsidiaries as “Unrestricted Subsidiaries.” Any Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture and will not guarantee the Notes.

Guarantees

The Notes will be guaranteed on an unsecured unsubordinated basis by each of the Company’s direct and indirect Domestic Restricted Subsidiaries that guarantees the Senior Secured Credit Facilities. Except as set forth

in the next paragraph, the Guarantors, as primary obligors and not merely as sureties, will jointly and severally, fully and unconditionally guarantee, on an unsecured unsubordinated basis, the performance and full and punctual payment when due, whether at maturity, by acceleration or otherwise, of all obligations of the Company under the Indenture and the Notes, whether for payment of principal of, or any premium or interest on or in respect of, the Notes, expenses, indemnification or otherwise, on the terms set forth in the Indenture by executing such Indenture.

Each Restricted Subsidiary, that (a) incurs or guarantees any Indebtedness under the Senior Secured Credit Facilities or (b) other than a Foreign Subsidiary or Foreign Subsidiary Holding Company of the Company, guarantees other Indebtedness of the Company or any Guarantor in an aggregate principal amount in excess of \$25.0 million, will guarantee the Notes. As of the date of this prospectus, none of our Foreign Subsidiaries or Foreign Subsidiary Holding Companies will guarantee the Notes, and no Foreign Subsidiaries or Foreign Subsidiary Holding Companies are expected to Guarantee the Notes in the future.

Each of the Guarantees of the Notes:

- will be a senior unsecured unsubordinated obligation of each Guarantor;
- will be effectively subordinated to any existing or future Secured Indebtedness of such Guarantor (including any Subsidiary Guarantor's guarantee of the Senior Secured Credit Facilities) to the extent of the value of the collateral securing such Indebtedness;
- will be structurally subordinated to all existing and future Indebtedness, claims of holders of Preferred Stock and other liabilities of Subsidiaries of such Guarantor that do not guarantee the Notes;
- will rank equal in right of payment with all existing and future Senior Indebtedness of each such Guarantor; and
- will be senior in right of payment to all existing and future Subordinated Indebtedness of each such Guarantor.

Not all of the Company's Subsidiaries will be required to guarantee the Notes. In the event of a bankruptcy, liquidation, reorganization or similar proceeding of any of these non-guarantor Subsidiaries, the non-guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Company or any Subsidiary Guarantor. As a result, all of the existing and future liabilities of these non-guarantor Subsidiaries, including any claims of trade creditors, will be effectively senior to the Notes.

Each Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by that entity without rendering the Guarantee, as it relates to such entity, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally. This provision may not, however, be effective to protect a Guarantee from being voided under fraudulent transfer law, or may reduce the applicable Guarantor's obligation to an amount that effectively makes its Guarantee worthless. Any entity that makes a payment under its Guarantee will be entitled upon payment in full of all guaranteed obligations under the Indenture to a contribution from each other Guarantor in an amount equal to such other Guarantor's pro rata portion of such payment based on the respective net assets of all the Guarantors at the time of such payment determined in accordance with GAAP. If a Guarantee were rendered voidable, it could be subordinated by a court to all other indebtedness and other obligations (including guarantees and other contingent liabilities) of the Guarantor, and, depending on the amount of such indebtedness and other obligations, a Guarantor's liability on its Guarantee could be reduced to zero. See "Risk Factors—Risks Related to the Exchange Notes—Federal and state statutes may allow courts, under specific circumstances, to void the Exchange Notes and the Subsidiary Guarantees, subordinate claims in respect of the Exchange Notes and the Subsidiary Guarantees and/or require holders of the Exchange Notes to return payments received from Valvoline."

A Guarantee by a Subsidiary Guarantor will provide by its terms that it will be automatically and unconditionally released and discharged with respect to the Notes, without further action required on the part of the Subsidiary Guarantor, the Trustee or any holder of Notes, upon:

- (a) any direct or indirect sale, exchange, transfer or other disposition (by merger, consolidation or otherwise) of the Capital Stock of such Subsidiary Guarantor, after which the applicable Subsidiary Guarantor is no longer a Restricted Subsidiary, if such sale, exchange, transfer or other disposition is not in violation of the applicable terms of the Indenture;
- (b) the release or discharge of the Indebtedness or guarantee of Indebtedness by such Subsidiary Guarantor that resulted in the creation of such Guarantee except a release or discharge by or as a result of payment under such guarantee (it being understood that a release subject to a contingent reinstatement will constitute a release for the purposes of this provision); *provided* that at the time of such release or discharge, such Subsidiary Guarantor is not then a guarantor or an obligor in respect of any other Indebtedness that would require it to provide a Guarantee of the Notes under the Indenture;
- (c) the sale, exchange, transfer or other disposition of all or substantially all of the assets of such Subsidiary Guarantor, in a transaction that is not in violation of the applicable terms of the Indenture, to any Person who is not (either before or after giving effect to such transaction) the Company or a Domestic Restricted Subsidiary;
- (d) the release or discharge of such Subsidiary Guarantor from its guarantee, and of all pledges and security, if any, granted by such Subsidiary Guarantor in connection with the Senior Secured Credit Facilities, except a release or discharge by or as a result of payment under such guarantee (it being understood that a release subject to a contingent reinstatement will constitute a release for the purposes of this provision); *provided* that at the time of such release or discharge, such Subsidiary Guarantor is not then a guarantor or an obligor in respect of any other Indebtedness that would require it to provide a Guarantee of the Notes under the Indenture;
- (e) the designation of any Restricted Subsidiary that is a Subsidiary Guarantor as an Unrestricted Subsidiary in accordance with the provisions set forth under “—Certain Covenants—Limitation on Restricted Payments” and the definition of “Unrestricted Subsidiary”;
- (f) the merger or consolidation of any Subsidiary Guarantor with and into the Company or another Guarantor or upon the liquidation of such Subsidiary Guarantor following the transfer of all of its assets to the Company or another Subsidiary Guarantor; or
- (g) the Company exercising its defeasance option or covenant defeasance option with respect to the Notes as described under “—Legal Defeasance and Covenant Defeasance” or the Company’s obligations under the Indenture being discharged with respect to the Notes in accordance with the terms of the Indenture; or

and, in the case of clauses (a) through (g) above, such Subsidiary Guarantor delivering to the Trustee an Officer’s Certificate and opinion stating that all conditions precedent provided for in the Indenture relating to the release of such Guarantee shall have been complied with.

Upon request of the Company or the applicable Subsidiary Guarantor, the Trustee shall evidence such release by a supplemental indenture or other instrument which may be executed by the Trustee without the consent of any Holder of the Notes.

Ranking

The payment of the principal of, premium, if any, and interest on the Notes and the payment of any Guarantee will rank equal in right of payment with all Senior Indebtedness of the Company or the relevant Guarantor, as the case may be, including the Obligations of the Company and such Subsidiary Guarantor under the Senior Secured Credit Facilities, the 2024 Exchange Notes and the 2024 Restricted Notes. The ranking of the Notes and the Guarantees is more fully described above under “—Brief Description of the Notes” and “—Guarantees.”

Secured Indebtedness of the Company (including the Company's obligations in respect of the Senior Secured Credit Facilities) will be effectively senior to the Notes to the extent of the value of the collateral securing such Indebtedness. As of September 30, 2017, we had approximately \$362 million of secured indebtedness outstanding and an additional \$436 million of unutilized borrowing capacity under the revolver portion of the Senior Secured Credit Facilities, all of which was or would be secured indebtedness.

All of our operations are conducted through our Subsidiaries. Some of our Subsidiaries, including all of our Foreign Subsidiaries and all of our Foreign Subsidiary Holding Companies, are not guaranteeing the Notes as described above under "—Guarantees." In addition, our future Subsidiaries may not be required to guarantee the Notes. Claims of creditors of such non-guarantor Subsidiaries, including trade creditors and creditors holding Indebtedness of such non-guarantor Subsidiaries, and claims of holders of Preferred Stock of such non-guarantor Subsidiaries, generally will have priority with respect to the assets and earnings of such non-guarantor Subsidiaries over the claims of our creditors, including holders of the Notes. Accordingly, the Notes will be effectively subordinated to creditors (including trade creditors) and holders of Preferred Stock, if any, of our non-guarantor Subsidiaries. As of September 30, 2017, our non-guarantor Subsidiaries had approximately \$189 million of indebtedness and other liabilities, including \$75 million of borrowings under a \$125 million trade receivables securitization facility, and an additional \$50 million of unutilized borrowing capacity under the trade receivables securitization facility.

Although the Indenture will contain limitations on the amount of additional Indebtedness that the Company and the Restricted Subsidiaries may incur, under certain circumstances the amount of such Indebtedness could be substantial. The Indenture will not limit the amount of liabilities that are not considered Indebtedness that may be incurred by the Company or its Restricted Subsidiaries, including the non-guarantor Subsidiaries. See "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock."

Paying Agent and Registrar for the Notes

The Company will maintain a paying agent for the Notes. The initial paying agent for the Notes will be the Trustee. The paying agent will make payments on the Notes on behalf of the Company. The paying agent will hold all cash and securities for the benefit of the Trustee and the respective Holders.

The Company will also maintain a registrar with respect to the Notes. The initial registrar for the Notes will be the Trustee. The registrar will maintain a register reflecting ownership of the Notes outstanding from time to time and facilitate transfers of Notes on behalf of the Company.

The Company may change the paying agent or the registrar without prior notice to the Holders. The Company or any of its Subsidiaries may act as a paying agent or registrar with respect to the Notes.

Transfer and Exchange

A Holder may transfer or exchange Notes in accordance with the Indenture. The registrar and the Trustee may require a Holder to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes. Holders will be required to pay all taxes due on transfer. The Company will not be required to transfer or exchange any Note selected for redemption. Also, the Company will not be required to transfer or exchange any Note for a period of 30 days before a selection of Notes to be redeemed.

Principal, Maturity and Interest

Upon completion of this offering, \$400.0 million aggregate principal amount of Notes will remain outstanding. The Notes will mature on August 15, 2025. Subject to compliance with the covenants described below under the caption "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock," the Company may issue additional Notes from time to time after this

offering under the Indenture (any such additional Notes, for purposes of this Description of 2025 Exchange Notes, “Additional Notes”). Except as otherwise provided in the Indenture, the Notes offered hereby and any Additional Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including waivers, amendments, redemptions and offers to purchase; *provided* that if the Additional Notes are not fungible with the Notes for United States federal income tax purposes, such Additional Notes will have a separate CUSIP number. Unless otherwise specified, or the context requires otherwise, references to “Notes” for all purposes of the Indenture and this “Description of 2025 Exchange Notes” include any additional Notes that are actually issued. The Company will issue the Notes in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

Interest on the Notes will accrue at the rate of 4.375% per annum. Interest on the Notes will be payable semiannually in arrears on February 15 and August 15 of each year, commencing on February 15, 2018, to the holders of record of those Notes on the immediately preceding February 1 or August 1, as applicable. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from and including the issue date of the Notes. Interest on the Notes will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Principal of, premium, if any, and interest on the Notes will be payable at the office or agency of the Company maintained for such purpose or, at the option of the Company, payment of interest may be made by check mailed to the Holders of the Notes at their respective addresses set forth in the register of Holders; *provided* that all payments of principal, premium, if any, and interest with respect to the Notes represented by one or more global notes registered in the name of or held by DTC or its nominee will be made by wire transfer of immediately available funds to the accounts specified by the Holder or Holders thereof. Until otherwise designated by the Company, the Company’s office or agency will be the office of the Trustee maintained for such purpose. If the due date for any payment in respect of the Notes is not a Business Day at the place at which such payment is due to be paid, the holder thereof will not be entitled to payment of the amount due until the next succeeding Business Day at such place, and will not be entitled to any interest or other payment as a result of any such delay.

Mandatory Redemption; Offers to Purchase; Acquisition of Notes

We are not required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, we may be required to offer to purchase Notes as described under “—Repurchase at the Option of Holders.” We may, and our affiliates may, at any time and from time to time, acquire Notes by means other than a redemption, including by tender offer, open market purchases, negotiated transactions or otherwise (including in connection with a consent solicitation).

Optional Redemption

At any time prior to August 15, 2020, the Company may redeem all or a part of the Notes upon notice as described under “—Selection and Notice” below, at a redemption price equal to 100% of the principal amount of Notes to be redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

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On and after August 15, 2020, the Company may redeem the Notes, in whole or in part, upon notice as described under the heading “—Selection and Notice” below, at the redemption prices (expressed as percentages of principal amount of the Notes to be redeemed) set forth below, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date, if redeemed beginning on August 15 of the years indicated below:

<u>Date</u>	<u>Percentage</u>
2020	103.281%
2021	102.188%
2022	101.094%
2023 and thereafter	100.000%

In addition, until August 15, 2020, the Company may, at its option, on one or more occasions, redeem up to 40% of the aggregate principal amount of Notes issued by it at a redemption price equal to 104.375% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date, with the net cash proceeds of one or more Equity Offerings; *provided* that at least 60% of the aggregate principal amount of the Notes originally issued under the Indenture (calculated after giving effect to any issuance of Additional Notes) remains outstanding immediately after the occurrence of each such redemption; *provided further* that each such redemption occurs within 90 days of the date of closing of the applicable Equity Offering.

Notwithstanding the foregoing, in connection with any tender offer for all of the outstanding Notes at a price of at least 100% of the principal amount of the Notes tendered, plus accrued and unpaid interest thereon to, but excluding, the applicable tender settlement date (including any Change of Control Offer), if Holders of not less than 90% in aggregate principal amount of the Notes validly tender and do not withdraw such Notes in such tender offer and the Company, or any third party making such a tender offer in lieu of the Company, purchases all of the Notes validly tendered and not withdrawn by such Holders, the Company or such third party will have the right, upon not less than 30 nor more than 60 days’ prior notice, given not more than 30 days following such purchase date, to redeem all Notes that remain outstanding following such purchase at a price equal to the price offered to each other Holder in such tender offer plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, thereon, to, but excluding, the date of redemption.

Selection and Notice

Notices of redemption shall be delivered electronically or mailed by first-class mail, postage prepaid, at least 30 but not more than 60 days before the applicable date of redemption to each Holder of Notes to be redeemed at such Holder’s registered address or otherwise in accordance with the procedures of DTC with respect to the Notes, except that redemption notices may be delivered more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture. If any Note is to be redeemed in part only, any notice of redemption that relates to such Notes shall state the portion of the principal amount thereof that has been or is to be redeemed.

Notice of any redemption may be given prior to the completion of any offering or other corporate transaction, and any redemption or notice may, at the Company’s discretion, be subject to one or more conditions precedent, including, but not limited to, the completion of the related offering or corporate transaction.

If the Company is redeeming less than all of the Notes issued under the Indenture at any time, the Trustee will select the Notes to be redeemed (1) if the Company has notified the Trustee that the Notes are listed on an exchange, in compliance with the requirements of such exchange or (2) on a pro rata basis to the extent practicable, or, if a pro rata basis is not practicable or permitted for any reason, by lot or by such other method as

may be prescribed by DTC's applicable procedures. No Notes of less than \$2,000, or integral multiples of less than \$1,000 in excess thereof, may be redeemed in part.

With respect to Notes represented by certificated notes, the Company will issue a new Note in a principal amount equal to the unredeemed portion of the original Note in the name of the Holder upon cancellation of the original Note; *provided* that new Notes will only be issued in the minimum denomination of \$2,000 and integral multiples of \$1,000 in excess thereof. Notes called for redemption become due on the date fixed for redemption, unless such redemption is conditioned on the happening of one or more future events or conditions precedent. On the applicable date of redemption, interest will cease to accrue on Notes or any series or portion thereof called for redemption.

Repurchase at the Option of Holders

Change of Control

The Indenture will provide that if a Change of Control occurs after the Issue Date, unless the Company has previously or concurrently mailed a redemption notice with respect to all the outstanding Notes as described under "—Optional Redemption," the Company will make an offer to purchase all of the Notes pursuant to the offer described below (the "Change of Control Offer") at a price in cash (the "Change of Control Payment") equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, the date of purchase, subject to the right of Holders of the Notes of record on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any Change of Control, the Company will deliver notice of such Change of Control Offer with a copy to the Trustee, to each Holder of Notes to the address of such Holder appearing in the security register or otherwise in accordance with the procedures of DTC with respect to the Notes, with the following information:

- (1) that a Change of Control Offer is being made pursuant to the covenant entitled "Change of Control" under the Indenture and that all Notes properly tendered pursuant to such Change of Control Offer will be accepted for payment by the Company;
- (2) the purchase price and the purchase date, which will be no earlier than 30 days nor later than 60 days from the date such notice is sent (the "Change of Control Payment Date"), except in the case of a conditional Change of Control Offer made in advance of a Change of Control as described below;
- (3) that any Note not properly tendered will remain outstanding and continue to accrue interest;
- (4) that, unless the Company defaults in the payment of the Change of Control Payment required to be made, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on the Change of Control Payment Date;
- (5) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender such Notes, with the form entitled "Option of Holder to Elect Purchase" on the reverse of such Notes completed, to the paying agent specified in the notice at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;
- (6) that Holders will be entitled to withdraw their tendered Notes and their election to require the Company to purchase such Notes; *provided* that the paying agent receives, not later than the close of business on the expiration date of the Change of Control Offer, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder of the Notes, the principal amount of Notes tendered for purchase, and a statement that such Holder is withdrawing its tendered Notes and its election to have such Notes purchased;
- (7) the other instructions, as determined by the Company (which determination shall be conclusive), consistent with the covenant described hereunder, that a Holder must follow; and

- (8) if such notice is sent prior to the occurrence of a Change of Control, stating that the Change of Control Offer is conditional upon the occurrence of such Change of Control.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of Notes pursuant to a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations set forth in the Indenture by virtue of such conflict.

On the Change of Control Payment Date, the Company will, to the extent permitted by law,

- (1) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer,
- (2) deposit with the applicable paying agent an amount equal to the aggregate Change of Control Payment in respect of all Notes or portions thereof properly tendered and
- (3) deliver, or cause to be delivered, to the Trustee for cancellation the Notes so accepted together with an Officer's Certificate to the Trustee stating that such Notes or portions thereof have been tendered to, and purchased by, the Company.

The Senior Secured Credit Facilities provide, and future credit agreements or other agreements relating to Indebtedness to which the Company becomes a party may provide, that certain change of control events with respect to the Company would constitute a default thereunder (including events that would constitute a Change of Control under the Indenture). If we experience a change of control event that triggers a default or prepayment provision under the Senior Secured Credit Facilities or any such future Indebtedness, we could seek a waiver of such default or prepayment provision or seek to refinance the Senior Secured Credit Facilities or such future Indebtedness. In the event we do not obtain such a waiver and do not refinance the Senior Secured Credit Facilities or such future Indebtedness, such default could result in amounts outstanding under the Senior Secured Credit Facilities or such future Indebtedness being declared due and payable or lending commitments being terminated.

Our ability to pay cash to the Holders of Notes following the occurrence of a Change of Control may be limited by our then-existing financial resources. Therefore, sufficient funds may not be available when necessary to make any required repurchases. See "Risk Factors—Risks Related to the Exchange Notes—Valvoline may not be able to finance a change of control offer required by the indentures governing the Exchange Notes."

The Change of Control purchase provisions of the Indenture described above may in certain circumstances make more difficult or discourage a sale or takeover of us and, thus, the removal of incumbent management. The Change of Control purchase feature is a result of negotiations between the initial purchasers and us. We have no present intention to engage in a transaction involving a Change of Control, although it is possible that we could decide to do so in the future. Subject to the limitations discussed below, we could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of indebtedness outstanding at such time or otherwise affect our capital structure or credit ratings. Restrictions on our ability to incur additional Indebtedness, including, but not limited to, additional Secured Indebtedness, are contained in the covenants described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and "—Certain Covenants—Liens." However, the covenants are subject to significant exceptions. Such restrictions in the Indenture can be waived with the consent of the Holders of a majority in principal amount of the Notes then outstanding. Except for the limitations contained in such covenants, however, the Indenture will not contain any covenants or provisions that may afford Holders of the Notes protection in the event of a highly leveraged transaction.

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We will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by us and purchases all Notes properly tendered and not withdrawn under such Change of Control Offer.

Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control, conditional upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of making the Change of Control Offer.

The definition of “Change of Control” includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries, taken as a whole, to any person. Although there is a limited body of case law interpreting the phrase “all or substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of “all or substantially all” of the assets of the Company and its Restricted Subsidiaries, taken as a whole. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder of Notes may require the Company to make an offer to repurchase the Notes as described above.

The provisions under the Indenture relating to the Company’s obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified, with respect to the Notes, with the written consent of the Holders of a majority in principal amount of the Notes then outstanding, including after the entry into an agreement that would result in the need to make a Change of Control Offer.

Asset Sales

The Indenture will provide that the Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale, unless:

- (1) the Company or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the fair market value (as determined in good faith by the Company at the time of contractually agreeing to such Asset Sale (which determination shall be conclusive)) of the assets sold or otherwise disposed of or the Equity Interests issued; and
- (2) at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents; *provided* that the following shall be deemed to be cash for purposes of this provision and for no other purpose:
 - (a) any liabilities (as reflected in the Company’s or such Restricted Subsidiary’s most recent balance sheet or in the footnotes thereto or, if incurred, increased or accrued subsequent to the date of such balance sheet, such liabilities that would have been shown on the Company’s or such Restricted Subsidiary’s balance sheet or in the footnotes thereto if such incurrence, increase or accrual had taken place on or prior to the date of such balance sheet, as determined in good faith by the Company (which determination shall be conclusive)) of the Company or such Restricted Subsidiary (other than Contingent Obligations and liabilities that are by their terms subordinated to the Notes or the applicable Guarantee) that are assumed by the transferee of any such assets pursuant to a written agreement that releases or indemnifies the Company or such Restricted Subsidiary from such liabilities or that are otherwise extinguished by the transferee in connection with such transaction;
 - (b) any securities, notes or other similar obligations received by the Company or such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received) within 180 days of the receipt thereof;

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- (c) any Designated Non-cash Consideration received by the Company or such Restricted Subsidiary in such Asset Sale having an aggregate fair market value, taken together with all other Designated Non-cash Consideration received pursuant to this clause (c) that is at that time outstanding, not to exceed the greater of \$50.0 million and 3.50% of Total Assets at the time of the receipt of such Designated Non-cash Consideration, with the fair market value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value; and
- (d) Capital Stock of a Person that is a Restricted Subsidiary or of a Person engaged in a Similar Business that shall become a Restricted Subsidiary immediately upon the acquisition thereof by the Company or any Restricted Subsidiary.

Within 365 days after the receipt of any Net Proceeds of any Asset Sale, the Company or a Restricted Subsidiary, at its option, may apply an amount equal to the Net Proceeds from such Asset Sale,

- (1) to permanently reduce Indebtedness as follows:
 - (a) to permanently reduce Secured Indebtedness, including Indebtedness under the Senior Secured Credit Facilities, in each case, that is secured by a Lien that is permitted by the Indenture and (if applicable) to permanently reduce commitments with respect thereto;
 - (b) to permanently reduce Obligations under other Senior Indebtedness of the Company or a Subsidiary Guarantor (and (if applicable) to permanently reduce commitments with respect thereto); *provided* that the Company shall equally and ratably reduce (or offer to reduce, as applicable) Obligations under the Notes; *provided further* that all reductions of Obligations under the Notes shall be made as provided under “—Optional Redemption” or through open-market purchases (to the extent such purchases are at or above 100% of the principal amount thereof plus accrued and unpaid interest) or by making an offer (in accordance with the procedures set forth below for an Asset Sale Offer) to all Holders of Notes to purchase their Notes at 100% of the principal amount thereof, plus the amount of accrued but unpaid interest, if any, on the amount of Notes that would otherwise be prepaid; or
 - (c) to permanently reduce Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor, other than Indebtedness owed to the Company or any Restricted Subsidiary;
- (2) to make (a) an Investment in any one or more businesses; *provided* that such Investment in any business is in the form of the acquisition of Capital Stock and results in the Company or any of its Restricted Subsidiaries, as the case may be, owning an amount of the Capital Stock of such business such that it constitutes a Restricted Subsidiary, (b) capital expenditures or (c) acquisitions of other businesses, properties, noncurrent assets or intellectual property rights that, in the case of each of (a), (b) and (c), are used or useful in a Similar Business; or
- (3) to make an Investment in (a) any one or more businesses; *provided* that such Investment in any business is in the form of the acquisition of Capital Stock and results in the Company or any of its Restricted Subsidiaries, as the case may be, owning an amount of the Capital Stock of such business such that it constitutes a Restricted Subsidiary, (b) properties or (c) acquisitions of other businesses, properties, noncurrent assets or intellectual property rights that, in the case of each of (a), (b) and (c), replace the businesses, properties, assets or intellectual property rights that are the subject of such Asset Sale;

provided that, in the case of clauses (2) and (3) above, a binding commitment entered into not later than the end of such 365-day period shall be treated as a permitted application of the Net Proceeds from the date of such commitment so long as the Company or such Restricted Subsidiary enters into such commitment with the good faith expectation that an amount equal to the Net Proceeds will be applied to satisfy such commitment within 180 days of the end of such 365-day period (an “Acceptable Commitment”) and, in the event any Acceptable

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Commitment is later cancelled or terminated for any reason before an amount equal to the Net Proceeds is so applied, then the Company or such Restricted Subsidiary shall be permitted to apply an amount equal to the Net Proceeds in any manner set forth above before the expiration of such 180-day period and, in the event the Company or such Restricted Subsidiary fails to do so, then such Net Proceeds shall constitute Excess Proceeds.

Any Net Proceeds from the Asset Sale that are not invested or applied as provided and within the time period set forth in the preceding paragraph will be deemed to constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds \$50.0 million (the "Excess Proceeds Threshold"), the Company shall make an offer to all Holders of the Notes and, if required by the terms of any Senior Indebtedness, to the holders of such Senior Indebtedness (an "Asset Sale Offer"), to purchase the maximum aggregate principal amount of the Notes and such Senior Indebtedness that is an integral multiple of \$1,000 (but in minimum denominations of \$2,000) that may be purchased with such Excess Proceeds at an offer price, in the case of the Notes, in cash in an amount equal to 100% of the principal amount thereof, plus accrued and unpaid interest to the date fixed for the closing of such offer, and in the case of any Senior Indebtedness at the offer price required by the terms thereof but not to exceed 100% of the principal amount thereof, plus accrued and unpaid interest, if any, in each case in accordance with the procedures set forth in the Indenture. The Company will commence an Asset Sale Offer with respect to Excess Proceeds within 10 Business Days after the date that Excess Proceeds exceed the Excess Proceeds Threshold by delivering the notice required pursuant to the terms of the Indenture, with a copy to the Trustee. The Company may satisfy the foregoing obligations with respect to any Net Proceeds from an Asset Sale by making an Asset Sale Offer with respect to such Net Proceeds prior to the expiration of the relevant 365-day period. Upon the completion of each Asset Sale Offer (including a voluntary Asset Sale Offer with respect to all Excess Proceeds even though less than the Excess Proceeds Threshold), the amount of Excess Proceeds shall be reset to zero.

To the extent that the aggregate principal amount of Notes and such Senior Indebtedness, as the case may be, tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Company may use any remaining Excess Proceeds for any purposes not otherwise prohibited under the Indenture. If the aggregate principal amount of Notes or Senior Indebtedness, as the case may be, surrendered by such holders thereof exceeds the amount of Excess Proceeds, such Notes or Senior Indebtedness, as the case may be, will be purchased on a pro rata basis based on the accreted value or principal amount of such Notes or Senior Indebtedness, as the case may be, tendered (and the Trustee or registrar will select the tendered Notes of tendering holders on a pro rata basis, or such other basis in accordance with DTC procedures with respect to the Notes, based on the amount of Notes tendered).

Pending the final application of any Net Proceeds, the holder of such Net Proceeds may apply such Net Proceeds temporarily to reduce Indebtedness outstanding under a revolving credit facility or otherwise invest such Net Proceeds in any manner not prohibited by the Indenture.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of the Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations set forth in the Indenture by virtue thereof.

The provisions under the Indenture relating to the Company's obligation to make an offer to repurchase the Notes as a result of an Asset Sale may be waived or modified, with respect to the Notes, with the written consent of the Holders of a majority in principal amount of the Notes then outstanding.

The Senior Secured Credit Facilities contain restrictions, and future credit agreements or other similar agreements to which the Company becomes a party may contain restrictions, on the Company's ability to repurchase Notes. In the event an Asset Sale occurs at a time when the Company is prohibited from purchasing

Notes, the Company could seek the consent of its lenders to the repurchase of Notes or could attempt to refinance the borrowings that contain such prohibition. If the Company does not obtain such consent or repay such borrowings, the Company will remain prohibited from repurchasing Notes. In such a case, the Company's failure to repurchase tendered Notes when required by the Indenture would constitute an Event of Default under the Indenture which would, in turn, likely constitute a default under such other agreements.

Certain Covenants

Set forth below are summaries of certain covenants contained in the Indenture that will apply to the Company and its Restricted Subsidiaries.

If on any date following the Issue Date, (i) the Notes have Investment Grade Ratings from both Rating Agencies and (ii) no Default or Event of Default has occurred and is continuing under the Indenture, then, beginning on that day (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a "Covenant Suspension Event") and continuing until the occurrence of the Reversion Date, the covenants specifically listed under the following captions in this "Description of 2025 Exchange Notes" section of this prospectus will not be applicable to the Notes (collectively, the "Suspended Covenants"):

- (1) "—Repurchase at the Option of Holders—Asset Sales";
- (2) "—Limitation on Restricted Payments";
- (3) "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock";
- (4) clause (4) of the first paragraph of "—Merger, Consolidation or Sale of All or Substantially All Assets—Company";
- (5) "—Transactions with Affiliates"; and
- (6) "—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries."

During any period that the foregoing covenants have been suspended, the Company may not designate any of its Subsidiaries as Unrestricted Subsidiaries, unless such designation would have complied with the covenant described under "Limitation on Restricted Payments" as if such covenant were in effect during such period.

If and while the Company and its Restricted Subsidiaries are not subject to the Suspended Covenants, the Notes will be entitled to substantially less covenant protection. In the event that the Company and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the "Reversion Date") one or both of the Rating Agencies withdraw their Investment Grade Rating or downgrade the rating assigned to the Notes below an Investment Grade Rating, then the Company and its Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants under the Indenture with respect to future events. The period of time between the Suspension Date and the Reversion Date is referred to in this description as the "Suspension Period." Upon the occurrence of a Covenant Suspension Event, the amount of Excess Proceeds from Asset Sales shall be reset to zero.

During any Suspension Period, the Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Lease-Back Transaction; *provided, however*, that the Company or any Restricted Subsidiary may enter into a Sale and Lease-Back Transaction if (i) the Company or such Restricted Subsidiary could have incurred a Lien to secure the Indebtedness attributable to such Sale and Lease-Back Transaction pursuant to "—Liens" below without equally and ratably securing the Notes pursuant to the covenant described therein; and (ii) the consideration received by the Company or such Restricted Subsidiary in that Sale and Lease-Back Transaction is at least equal to the fair market value of the property sold and otherwise complies with "—Repurchase at the Option of Holders—Asset Sales" above; *provided further* that the foregoing provisions shall cease to apply on and subsequent to any Reversion Date.

During the Suspension Period, the Company and its Restricted Subsidiaries will be entitled to incur Liens to the extent provided for under “—Liens” (including Permitted Liens), and any Permitted Liens that refer to one or more Suspended Covenants shall be interpreted as though such applicable Suspended Covenant(s) continued to be applicable during the Suspension Period (but solely for purposes of the “—Liens” covenant and for no other covenant).

Notwithstanding the foregoing, in the event of any such reinstatement, no action taken or omitted to be taken by the Company or any of its Restricted Subsidiaries during the Suspension Period will give rise to a Default or Event of Default under the Indenture with respect to the Notes; *provided* that (1) after such reinstatement, the amount of Restricted Payments since the Issue Date will be calculated as though the covenant described below under the caption “—Limitation on Restricted Payments” had been in effect prior to, but not during, the Suspension Period; (2) all Indebtedness incurred, or Disqualified Stock issued, during the Suspension Period will be classified to have been incurred or issued pursuant to clause (3) of the second paragraph of “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; (3) any Affiliate Transaction entered into after such reinstatement pursuant to an agreement entered into during any Suspension Period shall be deemed to be permitted pursuant to clause (5) of the second paragraph of the covenant described under “—Transactions with Affiliates”; and (4) any encumbrance or restriction on the ability of any Restricted Subsidiary that is not a Guarantor to take any action described in clauses (1) through (3) of the first paragraph of the covenant described under “—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries” that becomes effective during any Suspension Period shall be deemed to be permitted pursuant to clause (a) of the second paragraph of the covenant described under “—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.”

There can be no assurance that the Notes will ever receive Investment Grade Ratings or, if such ratings are received, that the Notes will maintain such Investment Grade Ratings.

Limitation on Restricted Payments

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

- (I) declare or pay any dividend or make any payment or distribution on account of the Company’s, or any of its Restricted Subsidiaries’ Equity Interests, including any dividend or distribution payable in connection with any merger or consolidation involving the Company or any Restricted Subsidiary, other than:
 - (a) dividends or distributions by the Company payable solely in Equity Interests (other than Disqualified Stock) of the Company; or
 - (b) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of securities issued by a Restricted Subsidiary that is not a wholly owned Subsidiary, the Company or a Restricted Subsidiary receives at least its *pro rata* share of such dividend or distribution in accordance with its Equity Interests in such class or series of securities;
- (II) purchase, redeem, defease or otherwise acquire or retire for value any Equity Interests of the Company, or any direct or indirect parent of the Company, including any such purchase, redemption, defeasance, acquisition or retirement in connection with any merger or consolidation;
- (III) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value, in each case, prior to any scheduled repayment, sinking fund payment or maturity, any Subordinated Indebtedness, other than (a) Indebtedness permitted under clause (7) or (8) of the second paragraph of the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” or (b) the payment, redemption, repurchase, defeasance or other acquisition of Subordinated Indebtedness in anticipation of satisfying a rescheduled payment, sinking fund obligation, principal installment or maturity, in each case due within one year of the date of payment, redemption, repurchase, defeasance or acquisition; or

- (IV) make any Restricted Investment (all such payments and other actions set forth in clauses (I) through (IV) above (other than any exceptions thereto) being collectively referred to as “Restricted Payments”), unless, at the time of such Restricted Payment:
- (1) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;
 - (2) immediately after giving effect to such transaction on a *pro forma* basis, the Company could incur \$1.00 of additional Indebtedness under the provisions of the first paragraph of the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; and
 - (3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after July 1, 2016 (including Restricted Payments permitted by clause (1) of the next succeeding paragraph, but excluding all other Restricted Payments permitted by the next succeeding paragraph), is less than the sum of (without duplication):
 - (a) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) beginning on July 1, 2016 to the end of the Company’s most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment, or, in the case such Consolidated Net Income for such period is a deficit, minus 100% of such deficit; *plus*
 - (b) 100% of the aggregate net cash proceeds and the fair market value of marketable securities or other property received by the Company since immediately after July 1, 2016 from the issue or sale of:
 - (i) Equity Interests of the Company, including Treasury Capital Stock, but excluding cash proceeds and the fair market value of marketable securities or other property received from the sale of:
 - (x) Equity Interests to any present, former or future employees, directors, officers, managers or consultants of the Company or any of the Company’s Subsidiaries after July 1, 2016 to the extent such amounts have been applied to the amount of available Restricted Payments in accordance with clause (5) of the next succeeding paragraph; and
 - (y) Designated Preferred Stock; and
 - (ii) debt securities of the Company or any Restricted Subsidiary that have been converted into or exchanged for such Equity Interests of the Company;
provided, however, that this clause (b) shall not include the proceeds from (W) Refunding Capital Stock (as defined below), (X) Equity Interests or convertible debt securities of the Company sold to a Restricted Subsidiary, (Y) Disqualified Stock or debt securities that have been converted into Disqualified Stock or (Z) the issuance or sale of Equity Interests or the fair market value of any assets received by the Company or any Restricted Subsidiary, in each case made as part of the Separation Transactions (including, for the avoidance of doubt, such proceeds of the IPO); plus
 - (c) 100% of the aggregate net cash proceeds and the fair market value of marketable securities or other property received by the Company or any Restricted Subsidiary by means of:
 - (i) the sale or other disposition (other than to the Company or a Restricted Subsidiary) of Restricted Investments made by the Company or its Restricted Subsidiaries and repurchases and redemptions of such Restricted Investments from the Company or its Restricted Subsidiaries and repayments of loans or advances that constitute Restricted

Investments by the Company or its Restricted Subsidiaries, in each case after July 1, 2016; or

- (ii) the sale (other than to the Company or a Restricted Subsidiary) of the stock of an Unrestricted Subsidiary (other than to the extent the Investment in such Unrestricted Subsidiary was made by the Company or a Restricted Subsidiary pursuant to clause (10) or (15) of the next succeeding paragraph or to the extent such Investment constituted a Permitted Investment) or a distribution or dividend from an Unrestricted Subsidiary, in each case, after July 1, 2016; *plus*
- (d) in the case of the redesignation of an Unrestricted Subsidiary as a Restricted Subsidiary, the fair market value (as determined in good faith by the Company; *provided* that if such fair market value may exceed \$50.0 million, such determination shall be made by the board of directors of the Company and evidenced by a board resolution (which determination in either case shall be conclusive)) of the Investment in such Unrestricted Subsidiary at the time of the redesignation of such Unrestricted Subsidiary as a Restricted Subsidiary other than to the extent the Investment in such Unrestricted Subsidiary was made by the Company or a Restricted Subsidiary pursuant to clause (10) or (15) of the next succeeding paragraph or to the extent such Investment constituted a Permitted Investment.

The foregoing provisions will not prohibit:

- (1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration thereof or the giving of the irrevocable redemption notice, as applicable, if at the date of declaration or notice such payment would have complied with the provisions of the Indenture;
- (2) (a) the redemption, repurchase, defeasance, retirement or other acquisition of any Equity Interests (“Treasury Capital Stock”) or Subordinated Indebtedness of the Company in exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary) of, Equity Interests of the Company (in each case, other than any Disqualified Stock or Designated Preferred Stock) (“Refunding Capital Stock”) and (b) if immediately prior to the retirement of Treasury Capital Stock, the declaration and payment of dividends thereon was permitted under clause (7) of this paragraph, the declaration and payment of dividends on the Refunding Capital Stock in an aggregate per annum amount no greater than the aggregate amount of dividends per annum that were declarable and payable on such Treasury Capital Stock immediately prior to such retirement;
- (3) any other Restricted Payment made in exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary) of, Equity Interests of the Company (other than any Disqualified Stock or Designated Preferred Stock);
- (4) the redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Indebtedness or Disqualified Stock of the Company or a Subsidiary Guarantor made in exchange for, or out of the proceeds of the substantially concurrent sale of, new Indebtedness or Disqualified Stock of the Company or a Subsidiary Guarantor, as the case may be, that in each case is incurred in compliance with the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” but only:
 - (a) if the principal amount (or accreted value, if applicable) of such new Indebtedness or the liquidation preference of such new Disqualified Stock does not exceed the principal amount of (or accreted value, if applicable), plus any accrued and unpaid interest on, the Subordinated Indebtedness, or the liquidation preference of, plus any accrued and unpaid dividends on, the Disqualified Stock, as applicable, being so purchased, redeemed, defeased, repurchased, acquired or retired, plus the amount of any premium and any fees and expenses incurred in connection with the issuance of such new Indebtedness or Disqualified Stock;

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- (b) if such new Indebtedness is subordinated to the Notes or the applicable Guarantee at least to the same extent, if at all, as such Subordinated Indebtedness so purchased, exchanged, redeemed, repurchased, defeased, acquired or retired for value;
 - (c) if such new Indebtedness or Disqualified Stock has a final scheduled maturity date equal to or later than the final scheduled maturity date of the Subordinated Indebtedness or Disqualified Stock being so redeemed, repurchased, defeased, acquired or retired; and
 - (d) if such new Indebtedness or Disqualified Stock has a Weighted Average Life to Maturity equal to or greater than the remaining Weighted Average Life to Maturity of the Subordinated Indebtedness or Disqualified Stock being so redeemed, repurchased, defeased, acquired or retired;
- (5) a Restricted Payment to pay for the repurchase, redemption or other acquisition or retirement for value of Equity Interests (other than Disqualified Stock) of the Company held by any future, present or former employee, director, officer, manager or consultant of the Company or any of its Subsidiaries pursuant to any management equity plan or stock option plan or any other management, director or employee benefit plan or agreement (x) upon the death or disability of such employee, director, officer, manager or consultant or (y) upon the resignation or other termination of employment of such employee, director, officer, manager or consultant; *provided, however*, that the aggregate Restricted Payments made under this clause (5) do not exceed in any calendar year \$20.0 million (with unused amounts in any calendar year being carried over to succeeding calendar years); *provided further* that such amount in any calendar year may be increased by an amount not to exceed:
- (a) the cash proceeds from the sale of Equity Interests (other than Disqualified Stock) of the Company to employees, directors, officers, managers or consultants of the Company or any of its Restricted Subsidiaries that occurs after July 1, 2016, to the extent the cash proceeds from the sale of such Equity Interests have not otherwise been applied to the payment of Restricted Payments by virtue of clause (3) of the preceding paragraph; plus
 - (b) the cash proceeds of key man life insurance policies received by the Company or its Restricted Subsidiaries after July 1, 2016; less
 - (c) the amount of any Restricted Payments previously made with the cash proceeds described in clause (a) or (b) of this clause (5); and *provided further* that cancellation of Indebtedness owing to the Company or any of its Restricted Subsidiaries from any future, present or former employees, directors, officers, managers or consultants of the Company or any of its Restricted Subsidiaries in connection with a repurchase of Equity Interests of the Company will not be deemed to constitute a Restricted Payment for purposes of this covenant or any other provision of the Indenture;
- (6) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Company or any of its Restricted Subsidiaries, or of Preferred Stock of any Restricted Subsidiary, in each case issued in accordance with the covenant described under “— Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
- (7) (a) the declaration and payment of dividends to holders of any class or series of Designated Preferred Stock (other than Disqualified Stock) issued by the Company after July 1, 2016; and (b) the declaration and payment of dividends on Refunding Capital Stock that is Preferred Stock in excess of the dividends declarable and payable thereon pursuant to clause (2) of this paragraph; *provided, however*, in the case of each of subclauses (a) and (b) of this clause (7), that for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of issuance of such Designated Preferred Stock or Refunding Capital Stock that is Preferred Stock, after giving effect to such issuance or declaration on a *pro forma* basis, the Company and its Restricted Subsidiaries on a consolidated basis would have had a Fixed Charge Coverage Ratio of at least 2.00 to 1.00;
- (8) repurchases of Equity Interests deemed to occur (i) upon the exercise of stock options, warrants or other equity-based awards if such Equity Interests represent all or a portion of the exercise price of

such options, warrants or awards or payments, in lieu of the issuance of fractional Equity Interests or (ii) for the purposes of satisfying any required tax withholding obligation upon the exercise or vesting of a grant or award of any stock options, warrants or other equity-based awards;

- (9) the declaration and payment of dividends or distributions in respect of, or repurchases of, the Company's common stock in an aggregate amount not to exceed \$175.0 million in any calendar year;
- (10) other Restricted Payments in an aggregate amount taken together with all other Restricted Payments made pursuant to this clause (10) not to exceed the greater of \$200.0 million and 10.00% of Total Assets;
- (11) Restricted Payments comprising (a) the payment, redemption, repurchase, defeasance or other acquisition of Indebtedness incurred by a Securitization Special Purpose Entity in accordance with clause (24) of the second paragraph under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" below and (b) the payment or distribution of any Securitization Fees;
- (12) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness in accordance with the provisions similar to those described under the captions "—Repurchase at the Option of Holders—Change of Control" and "—Repurchase at the Option of Holders—Asset Sales"; *provided* that all Notes tendered in connection with a Change of Control Offer or Asset Sale Offer, as applicable, have first been repurchased, redeemed or acquired for value;
- (13) the distribution, by dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Company or a Restricted Subsidiary by, Unrestricted Subsidiaries (other than Unrestricted Subsidiaries the primary assets of which are cash or Cash Equivalents);
- (14) any Restricted Payment made as part of the Separation Transactions;
- (15) the making of other Restricted Payments if, at the time of the making of such Restricted Payment, and after giving *pro forma* effect thereto (including, without limitation, the incurrence of any Indebtedness to finance such Restricted Payment and the application of the net proceeds thereof), the Consolidated Net Leverage Ratio of the Company would not exceed 3.50 to 1.00;
- (16) the making of cash payments in satisfaction of the conversion obligation upon conversion of convertible Indebtedness permitted to be incurred pursuant to the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock," in an aggregate amount since the Issue Date not to exceed the sum of (a) the principal amount of such convertible Indebtedness plus (b) any payment received by the Company or a Restricted Subsidiaries pursuant to the exercise, settlement or termination of any related hedge or warrant option transactions; and
- (17) the purchase of any call option, purchase option or other similar contract in respect of Equity Interests of the Company in connection with the issuance of convertible Indebtedness permitted to be incurred pursuant to the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified and Preferred Stock" to mitigate dilution attributable to such convertible Indebtedness;

provided, however, that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (3), (9), (10), (13) and (15), no Default shall have occurred and be continuing or would occur as a consequence thereof.

For purposes of determining compliance with this covenant, in the event that a proposed Restricted Payment (or a portion thereof) meets the criteria of clauses (1) through (17) above or is entitled to be made pursuant to the first paragraph of this covenant, the Company will be entitled to classify or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment (or a portion thereof) between such clauses (1) through (17) and such first paragraph in any manner that otherwise complies with this covenant.

As of the date of this prospectus, all of the Company's Subsidiaries are Restricted Subsidiaries. The Company will not permit any Unrestricted Subsidiary to become a Restricted Subsidiary except pursuant to the penultimate sentence of the definition of "Unrestricted Subsidiary." For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of "Investments." Such designation will be permitted only if a Restricted Payment or Permitted Investment in such amount would be permitted at such time, and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants set forth in the Indenture.

Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise (collectively, "incur" and each instance thereof, an "incurrence"), with respect to any Indebtedness (including Acquired Indebtedness), and the Company will not issue any shares of Disqualified Stock and will not permit any Restricted Subsidiary to issue any shares of Disqualified Stock or Preferred Stock; *provided, however*, that the Company may incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock, and any of its Restricted Subsidiaries may incur Indebtedness (including Acquired Indebtedness), issue shares of Disqualified Stock and issue shares of Preferred Stock, if the Fixed Charge Coverage Ratio on a consolidated basis for the Company and its Restricted Subsidiaries' most recently ended four fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or Preferred Stock is issued would have been at least 2.00 to 1.00, determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been incurred, or the Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

The foregoing limitations will not apply to:

- (1) the incurrence of Indebtedness under Credit Facilities by the Company or any of its Restricted Subsidiaries and the issuance and creation of letters of credit and bankers' acceptances thereunder (with letters of credit and bankers' acceptances being deemed to have a principal amount equal to the face amount thereof); *provided, however*, that immediately after giving effect to any such incurrence, the then outstanding aggregate principal amount of all Indebtedness under this clause (1) does not exceed the sum of (x) \$1,700.0 million plus (y) the maximum principal amount of additional Indebtedness that could be incurred such that after giving effect to such incurrence, the Consolidated Secured Net Leverage Ratio of the Company would be no greater than 2.75 to 1.00 (calculated assuming that all Indebtedness incurred under this clause (1) is secured and without netting the cash proceeds of any such Indebtedness);
- (2) the incurrence by the Company and any Subsidiary Guarantor of Indebtedness under the Notes (including Guarantees thereof) (other than any Additional Notes) and any notes (including Guarantees thereof) issued in exchange for the Notes pursuant to a registration rights agreement;
- (3) Indebtedness and Disqualified Stock of the Company and its Restricted Subsidiaries in existence on the Issue Date;
- (4) Indebtedness in respect of Capitalized Lease Obligations, Synthetic Lease Obligations and purchase money obligations for fixed or capital assets; *provided* that such Indebtedness does not at any time encumber any property other than the property financed by such Indebtedness, other than proceeds and products thereof and either (a) the Indebtedness related thereto does not exceed the cost or fair market value, whichever is lower, of the property being financed and such Indebtedness exists at the date of such purchase or transaction or is created within 365 days thereafter (for the avoidance of doubt, the purchase date for any asset shall be the later of the date of completion of installation and the beginning

of the full productive use of such asset) or (b) the Indebtedness related thereto does not exceed the fair market value of the property being financed and after giving effect to the incurrence of any such Indebtedness and, after giving effect thereto (and the use of the proceeds therefrom), the Company would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first sentence of this covenant;

- (5) Indebtedness incurred by the Company or any of its Restricted Subsidiaries constituting reimbursement obligations with respect to letters of credit issued in the ordinary course of business, including letters of credit in respect of workers' compensation claims, death, disability or other employee benefits or property, casualty or liability insurance, or other Indebtedness with respect to reimbursement-type obligations regarding workers' compensation claims; *provided, however*, that upon the drawing of such letters of credit or the incurrence of such Indebtedness, such obligations (a) are reimbursed within 30 days following such drawing or incurrence or (b) are permitted to be incurred (and thereupon shall be deemed to be incurred) pursuant to clause (4) above following the expiry of such 30 day period;
- (6) Indebtedness arising from agreements of the Company or its Restricted Subsidiaries providing for indemnification, adjustment of purchase price or similar obligations, including earnouts, in each case, incurred or assumed in connection with the disposition of any business, assets or a Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or a Subsidiary for the purpose of financing such acquisition; *provided, however*, that such Indebtedness is not reflected on the balance sheet of the Company or any of its Restricted Subsidiaries (contingent obligations referred to in a footnote to financial statements and not otherwise reflected on the balance sheet will not be deemed to be reflected on such balance sheet for purposes of this clause (6));
- (7) Indebtedness of the Company to a Restricted Subsidiary; *provided* that any such Indebtedness owing to a Restricted Subsidiary that is not a Subsidiary Guarantor shall be subordinated in right of payment to the Notes; *provided further* that any subsequent issuance or transfer of any Capital Stock or any other event which results in the Restricted Subsidiary holding such Indebtedness ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case, to be an incurrence of such Indebtedness not permitted by this clause (7);
- (8) Indebtedness of a Restricted Subsidiary to the Company or another Restricted Subsidiary; *provided* that if a Subsidiary Guarantor incurs such Indebtedness to a Restricted Subsidiary that is not a Subsidiary Guarantor, such Indebtedness shall be subordinated in right of payment to the Guarantee of the Notes of such Subsidiary Guarantor; *provided further* that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Indebtedness being held by a person other than the Company or a Restricted Subsidiary or any subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case, to be an incurrence of such Indebtedness not permitted by this clause (8);
- (9) shares of Preferred Stock of a Restricted Subsidiary issued to the Company or another Restricted Subsidiary; *provided* that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of Preferred Stock (except to the Company or another Restricted Subsidiary) shall be deemed in each case to be an issuance of such shares of Preferred Stock not permitted by this clause (9);
- (10) Swap Contracts (excluding Swap Contracts entered into for speculative purposes) for the purpose of limiting interest rate risk with respect to any Indebtedness of the Company or any Restricted Subsidiary permitted to be incurred pursuant to this covenant, exchange rate risk or commodity pricing risk;
- (11) obligations in respect of self-insurance and obligations in respect of performance, bid, appeal, stay, surety, customs and replevin bonds and performance and completion guarantees provided by the Company or any of its Restricted Subsidiaries in the ordinary course of business;

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- (12) Indebtedness or Disqualified Stock of the Company and Indebtedness, Disqualified Stock or Preferred Stock of any Restricted Subsidiary not otherwise permitted hereunder in an aggregate principal amount or liquidation preference that, when aggregated with the principal amount and liquidation preference of all other Indebtedness, Disqualified Stock and Preferred Stock then outstanding and incurred pursuant to this clause (12), does not exceed the greater of \$300.0 million and 15.00% of Total Assets;
- (13) the incurrence or issuance by the Company or any Restricted Subsidiary of Indebtedness or Disqualified Stock, and the issuance by any Restricted Subsidiary of Preferred Stock, in each case that serves to refund, refinance, replace, renew, extend or defease any Indebtedness or Disqualified Stock of the Company or any Restricted Subsidiary or Preferred Stock of any Restricted Subsidiary incurred or issued as permitted under the first paragraph of this covenant or clause (2), (3) or (4) above, this clause (13) or clause (14) below or any Indebtedness, Disqualified Stock or Preferred Stock previously incurred or issued to so refund, refinance, replace, renew, extend or defease such Indebtedness or Disqualified Stock or Preferred Stock, including additional Indebtedness, Disqualified Stock or Preferred Stock incurred or issued to pay premiums (including tender premiums), defeasance costs, accrued interest, fees and expenses in connection therewith (the "Refinancing Indebtedness") prior to its respective maturity; *provided, however*, that such Refinancing Indebtedness:
- (a) has a Weighted Average Life to Maturity at the time such Refinancing Indebtedness is incurred that is not less than the remaining Weighted Average Life to Maturity of the Indebtedness or Disqualified Stock or Preferred Stock being refunded, refinanced, replaced, renewed, extended or defeased (or requires no or nominal payments in cash prior to the date that is 91 days after the maturity date of the Notes);
 - (b) to the extent such Refinancing Indebtedness refunds, refinances, replaces, renews, extends or defeases (i) Subordinated Indebtedness, such Refinancing Indebtedness is subordinated in right of payment to the Notes or the Guarantee thereof at least to the same extent as the Indebtedness being refunded, refinanced, replaced, renewed, extended or defeased or (ii) Disqualified Stock or Preferred Stock, such Refinancing Indebtedness must be Disqualified Stock or Preferred Stock, respectively; and
 - (c) shall not include:
 - (i) Indebtedness, Disqualified Stock or Preferred Stock of a Subsidiary of the Company that is not a Guarantor that refinances Indebtedness, Disqualified Stock or Preferred Stock of the Company;
 - (ii) Indebtedness, Disqualified Stock or Preferred Stock of a Subsidiary of the Company that is not a Guarantor that refinances Indebtedness, Disqualified Stock or Preferred Stock of a Subsidiary Guarantor; or
 - (iii) Indebtedness or Disqualified Stock of the Company or Indebtedness, Disqualified Stock or Preferred Stock of a Restricted Subsidiary that refinances Indebtedness, Disqualified Stock or Preferred Stock of an Unrestricted Subsidiary;

and, *provided further* that subclause (a) of this clause (13) will not apply to any refunding, refinancing, replacement, renewal, extension or defeasance of any Secured Indebtedness;

- (14) (x) Indebtedness or Disqualified Stock of the Company and Indebtedness, Disqualified Stock or Preferred Stock of a Restricted Subsidiary incurred or issued to finance an acquisition (or other purchase of assets) or (y) existing Indebtedness, Disqualified Stock or Preferred Stock of Persons that are acquired by the Company or any Restricted Subsidiary or merged into or consolidated with the Company or a Restricted Subsidiary in accordance with the terms of the Indenture that is not incurred or issued in contemplation of such acquisition, merger or consolidation; *provided* that in the case of (x) and (y) after giving effect to such acquisition, merger or consolidation, either (a) the Company would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge

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Coverage Ratio test set forth in the first sentence of this covenant or (b) the Fixed Charge Coverage Ratio of the Company and the Restricted Subsidiaries is greater than immediately prior to such acquisition, merger or consolidation;

- (15) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;
- (16) Indebtedness of the Company or any of its Restricted Subsidiaries supported by a letter of credit issued pursuant to Credit Facilities, in a principal amount not in excess of the stated amount of such letter of credit;
- (17) (a) any guarantee by the Company or a Restricted Subsidiary of Indebtedness or other obligations of any Restricted Subsidiary so long as the incurrence of such Indebtedness incurred by such Restricted Subsidiary is permitted under the terms of the Indenture; and (b) any guarantee by a Restricted Subsidiary of Indebtedness of the Company;
- (18) Indebtedness of the Company or any of its Restricted Subsidiaries consisting of (a) the financing of insurance premiums or (b) take-or-pay obligations contained in supply arrangements, in each case incurred in the ordinary course of business;
- (19) Indebtedness consisting of Indebtedness issued by the Company or any of its Restricted Subsidiaries to current or former officers, directors and employees thereof, their respective estates, spouses or former spouses, in each case to finance the purchase or redemption of Equity Interests of the Company or any direct or indirect parent company of the Company to the extent described in clause (5) of the second paragraph under the heading “—Limitation on Restricted Payments”;
- (20) Indebtedness consisting of cash management services incurred in the ordinary course of business, including in respect of credit card obligations, overdrafts and related liabilities arising from treasury, depository and cash management services or in connection with any automated clearinghouse transfers of funds;
- (21) customer deposits and advance payments received in the ordinary course of business from customers for goods purchased in the ordinary course of business;
- (22) Indebtedness owed on a short-term basis of no longer than 30 days to banks and other financial institutions incurred in the ordinary course of business of the Company and its Restricted Subsidiaries with such banks or financial institutions and arising in connection with ordinary banking arrangements to manage cash balances of the Company and its Restricted Subsidiaries;
- (23) Indebtedness incurred by the Company or a Restricted Subsidiary in connection with bankers’ acceptances or discounted bills of exchange, in each case incurred or undertaken consistent with past practice or in the ordinary course of business;
- (24) Indebtedness (i) incurred by a Securitization Special Purpose Entity as part of, pursuant to or in connection with a Qualified Securitization Transaction (including Indebtedness to the Company, any Restricted Subsidiary or other Person) that is without recourse to the Company or to any Restricted Subsidiary (other than Standard Securitization Undertakings) and (ii) in connection with any Receivables Facility, so long as the aggregate principal amount of Indebtedness under this clause (ii) in the aggregate does not exceed \$250.0 million; and to the extent that any purported contribution, sale, conveyance, grant or transfer of Securitization Assets or accounts receivables from the Company or any Restricted Subsidiary to a Securitization Special Purpose Entity or to any Person that is not a Restricted Subsidiary, as applicable, shall ever be deemed not to constitute a true sale, any Indebtedness of the applicable Securitization Special Purpose Entity or Person to the Company and such Restricted Subsidiaries arising therefrom (for the avoidance of doubt, Indebtedness permitted to be incurred under this clause (24) shall include Indebtedness in connection with the Company’s trade receivables securitization facility);
- (25) [Reserved];

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- (26) guarantees of Indebtedness of joint ventures of the Company or any Restricted Subsidiary not to exceed, at any one time outstanding, \$175.0 million; and
- (27) Indebtedness of Foreign Subsidiaries of the Company in an amount not to exceed, at any one time outstanding and together with any other Indebtedness incurred under this clause (27), \$150.0 million.

For purposes of determining compliance with this covenant (1) in the event that an item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) meets the criteria of more than one of the categories of permitted Indebtedness, Disqualified Stock or Preferred Stock described in clauses (1) through (27) above or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company, in its sole discretion, will classify or reclassify such item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) and will only be required to include the amount and type of such Indebtedness, Disqualified Stock or Preferred Stock in one of the above clauses or under the first paragraph of this covenant; and (2) at the time of incurrence, the Company will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in the first and second paragraphs above; *provided* that, in the case of each of the foregoing clauses (1) or (2), all Indebtedness outstanding under the Senior Secured Credit Facilities on or prior to the Issue Date will be treated as incurred under clause (1)(x) of the preceding paragraph.

Notwithstanding the above, Restricted Subsidiaries that are not Subsidiary Guarantors may not incur Indebtedness or issue Disqualified Stock or Preferred Stock pursuant to the first paragraph of this covenant or clause (12), (13) (solely in respect of Indebtedness, Disqualified Stock or Preferred Stock incurred or issued under the first paragraph of this covenant or clause (12), (14)(x) or (27) of this covenant, and any refinancings thereof), (14)(x) or (27) of this covenant if, after giving *pro forma* effect to such incurrence or issuance (including a *pro forma* application of the net proceeds therefrom), the aggregate amount of Indebtedness, Disqualified Stock and Preferred Stock of Restricted Subsidiaries that are not Subsidiary Guarantors incurred or issued pursuant to such provisions of this covenant at any one time outstanding would exceed \$250.0 million.

Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount, the payment of interest in the form of additional Indebtedness and the payment of dividends in the form of additional Disqualified Stock or Preferred Stock, as applicable, will in each case not be deemed to be an incurrence of Indebtedness or Disqualified Stock or Preferred Stock for purposes of this covenant.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed (a) the principal amount of such Indebtedness being refinanced, plus (b) the aggregate amount of fees, underwriting discounts, premiums (including tender premiums) and other costs and expenses (including original issue discount, upfront fees or similar fees) incurred in connection with such refinancing.

The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

The Indenture will provide that the Company will not, and will not permit any Subsidiary Guarantor to, directly or indirectly, incur any Indebtedness (including Acquired Indebtedness) that is expressly subordinated or junior in right of payment to any Indebtedness of the Company or such Subsidiary Guarantor, as the case may be,

unless such Indebtedness is expressly subordinated in right of payment to the Notes or such Subsidiary Guarantor's Guarantee to the extent and on substantially identical terms as such Indebtedness is subordinated to other Indebtedness of the Company or such Subsidiary Guarantor, as the case may be.

The Indenture will not treat (1) unsecured Indebtedness as subordinated or junior to Secured Indebtedness merely because it is unsecured or (2) Senior Indebtedness as subordinated or junior to any other Senior Indebtedness merely because it has a junior priority with respect to the same collateral or because such other Senior Indebtedness is guaranteed by other obligors.

Liens

The Company will not, and will not permit any Subsidiary Guarantor to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist any Lien (except Permitted Liens) that secures obligations under any Indebtedness or any related Guarantee of the Company or any Subsidiary Guarantor, on any asset or property of the Company or any Subsidiary Guarantor, or any income or profits therefrom, or assign or convey any right to receive income therefrom, unless:

- (1) in the case of any Liens securing Subordinated Indebtedness, the Notes and related Guarantees are secured by a Lien on such property, assets or proceeds that is senior in priority to such Liens; and
- (2) in all other cases, the Notes or the Guarantees are equally and ratably secured, except that the foregoing shall not apply to or restrict Liens securing obligations in respect of the Notes (and exchange notes with respect thereto) and the related Guarantees.

Any Lien created for the benefit of the Holders of the Notes pursuant to this covenant shall be deemed automatically and unconditionally released and discharged upon the release and discharge of each Lien (other than a release as a result of the enforcement of remedies in respect of such Lien or the Obligations secured by such Lien) that gave rise to the obligation to secure the Notes or such Guarantee pursuant to the preceding paragraph.

Merger, Consolidation or Sale of All or Substantially All Assets

Company. The Company may not, directly or indirectly, consolidate or merge with or into or wind up into (whether or not the Company is the surviving corporation) or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the Company's properties or assets, in one or more related transactions, to any Person unless:

- (1) the Company is the surviving entity or the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation, partnership (including a limited partnership), trust or limited liability company organized or existing under the laws of the jurisdiction of organization of the Company or the laws of the United States, any state thereof, the District of Columbia or any territory thereof (such Person, as the case may be, being herein called the "Successor Company");
- (2) the Successor Company, if other than the Company, expressly assumes all the obligations of the Company under the Notes, pursuant to a supplemental indenture or other documents or instruments;
- (3) immediately after such transaction, no Default or Event of Default exists;
- (4) immediately after giving *pro forma* effect to such transaction and any related financing transactions, as if such transactions had occurred at the beginning of the applicable four-quarter period,
 - (a) the Company or the Successor Company, as applicable, would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock," or

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- (b) the Fixed Charge Coverage Ratio of the Company (or, if applicable, the Successor Company) and its Restricted Subsidiaries would be equal to or greater than such ratio of the Company and its Restricted Subsidiaries immediately prior to such transaction;
- (5) each Subsidiary Guarantor, unless (i) it is the other party to the transactions described above, in which case subclause (b) of the second succeeding paragraph shall apply or (ii) the Company is the surviving entity, shall have by supplemental indenture confirmed that its Guarantee shall apply to such Person's obligations under the Indenture and the Notes; and
- (6) the Company (or, if applicable, the Successor Company) shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture, if any, complies with the Indenture.

The Successor Company will succeed to, and be substituted for, the Company under the Indenture, the Guarantees and the Notes, as applicable. Notwithstanding the foregoing clauses (3) and (4),

- (1) any Restricted Subsidiary may consolidate with or merge into or transfer all or part of its properties and assets to the Company or a Subsidiary Guarantor, and
- (2) the Company may merge with an Affiliate of the Company, as the case may be, solely for the purpose of reincorporating the Company in the United States, any state thereof, the District of Columbia or any territory thereof or for the sole purpose of forming or collapsing a holding company structure.

Subsidiary Guarantors. Subject to certain limitations set forth in the Indenture governing release of a Guarantee upon the sale, disposition or transfer of a Subsidiary Guarantor, no Subsidiary Guarantor will, and the Company will not permit any Subsidiary Guarantor to, consolidate or merge with or into or wind up into (whether or not such Subsidiary Guarantor is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets, in one or more related transactions, to, any Person unless:

- (1) (a) such Guarantor is the surviving entity or the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation, partnership, trust or limited liability company organized or existing under the laws of the jurisdiction of organization of such Guarantor, as the case may be, or the laws of the United States, any state thereof, the District of Columbia or any territory thereof (such Guarantor or such Person, as the case may be, being herein called the "Successor Person");
 - (b) the Successor Person, if other than a Guarantor, expressly assumes all the obligations of such Guarantor under the Indenture and such Guarantor's related Guarantee pursuant to a supplemental indenture or other documents or instruments;
 - (c) immediately after such transaction, no Default or Event of Default exists; and
 - (d) the Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture, if any, complies with the Indenture;
- (2) the transaction is made in compliance with the covenant described under "—Repurchase at the Option of Holders—Asset Sales," if applicable; or
- (3) in the case of assets comprised of Equity Interests of Subsidiaries that are not Guarantors, such Equity Interests are sold, assigned, transferred, leased, conveyed or otherwise disposed of to one or more Restricted Subsidiaries.

Subject to certain limitations set forth in the Indenture, the Successor Person will succeed to, and be substituted for, such Guarantor under the Indenture and such Guarantor's Guarantee. Notwithstanding the

foregoing, any Subsidiary Guarantor may (1) merge or consolidate with or into, wind up into or transfer all or part of its properties and assets to another Subsidiary Guarantor or the Company, (2) merge with an Affiliate of the Company solely for the purpose of reincorporating the Subsidiary Guarantor in the United States, any state thereof, the District of Columbia or any territory thereof, (3) convert into a corporation, partnership, limited partnership, limited liability company or trust organized or existing under the laws of the jurisdiction of organization of such Subsidiary Guarantor or (4) liquidate or dissolve or change its legal form if the Company determines in good faith that such action is in the best interests of the Company, in each case, without regard to the requirements set forth in the preceding paragraph.

Transactions with Affiliates

The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into, or make or amend, any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each of the foregoing, an “Affiliate Transaction”) involving aggregate payments or consideration in excess of \$25.0 million, unless:

- (1) such Affiliate Transaction is on terms that are not materially less favorable, taken as a whole, as determined in good faith by the Company (which determination shall be conclusive), to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person on an arm’s-length basis; and
- (2) the Company delivers to the Trustee, with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate payments or consideration in excess of \$50.0 million, a resolution adopted by the majority of the disinterested members of the board of directors of the Company approving such Affiliate Transaction and set forth in an Officer’s Certificate certifying that such Affiliate Transaction complies with clause (1) above.

The foregoing provisions will not apply to the following:

- (1) transactions between or among the Company or any of its Restricted Subsidiaries;
- (2) Restricted Payments permitted by the provisions of the Indenture described above under the covenant “—Limitation on Restricted Payments” or the definition of “Permitted Investment”;
- (3) the payment of reasonable and customary compensation and fees paid to, and indemnities provided for the benefit of, or employment, service or benefit plan agreements with or for the benefit of, former, current or future officers, directors, employees or consultants of the Company or any of its Restricted Subsidiaries;
- (4) transactions in which the Company or any of its Restricted Subsidiaries, as the case may be, delivers to the Trustee a letter from an Independent Financial Advisor either stating that such transaction is fair to the Company or such Restricted Subsidiary from a financial point of view or stating that such terms are not materially less favorable to the Company or its relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person on an arm’s-length basis;
- (5) any agreement as in effect as of the Issue Date, or any amendment, supplement, modification, extension or renewal thereto or thereof or any transaction contemplated thereby (including pursuant to any amendment, supplement, modification, extension or renewal thereto or thereof) or by any replacement agreement thereto (so long as any such amendment or replacement agreement is not more disadvantageous to the Holders in any material respect when taken as a whole as compared to the applicable agreement as in effect on the Issue Date as determined in good faith by the Company (which determination shall be conclusive));

- (6) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture that are fair to the Company and its Restricted Subsidiaries, as determined in good faith by the Company (which determination shall be conclusive), or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party;
- (7) the sale or issuance of Equity Interests of the Company to any director, officer, employee or consultant of the Company or its Restricted Subsidiaries;
- (8) any issuances of securities or other payments, awards, grants in cash, securities or otherwise or loans (or cancellation of loans) to employees or consultants of the Company or any of its Restricted Subsidiaries pursuant to, or for the funding of, employment arrangements or agreements, stock option plans, stock ownership plans and other similar arrangements with such employees or consultants which, in each case, are approved by the Company in good faith;
- (9) any transaction with any Person that is an Affiliate of the Company or any Restricted Subsidiary that would constitute an Affiliate Transaction solely because the Company or any Restricted Subsidiary owns (directly or indirectly) an equity interest in, or controls (including pursuant to any management agreement or otherwise), such Person;
- (10) transactions with joint ventures on terms that are not materially less favorable, taken as a whole, to the Company or any Restricted Subsidiary (as applicable), as determined in good faith by the Company (which determination shall be conclusive), than the other joint venture partner(s);
- (11) the Separation Transactions and the payment of all fees and expenses related to the Separation Transactions;
- (12) any contribution, sale, conveyance, transfer or other disposition of, or grant of a security interest in, Securitization Assets to a Securitization Special Purpose Entity and other transactions effected as part of, pursuant to or in connection with a Qualified Securitization Transaction; and
- (13) transactions with Affiliates solely in their capacity as holders of Indebtedness or Capital Stock of the Company or any Restricted Subsidiary where such Affiliate receives the same consideration or is treated in the same manner as non-Affiliates that are party to (or have the benefit of) such transaction.

Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Company will not, and will not permit any of its Restricted Subsidiaries that are not Guarantors to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary that is not a Guarantor to:

- (1) (a) pay dividends or make any other distributions to the Company or any Subsidiary Guarantor on its Capital Stock, or (b) pay any Indebtedness owed to the Company or any Subsidiary Guarantor;
- (2) make loans or advances to the Company or any Subsidiary Guarantor; or
- (3) sell, lease or transfer any of its properties or assets to the Company or any Subsidiary Guarantor, except (in each case) for such encumbrances or restrictions existing under or by reason of:
 - (a) contractual encumbrances or restrictions in effect on the Issue Date, including pursuant to the Senior Secured Credit Facilities and the related documentation and Swap Contracts in effect on the Issue Date and any related documentation;
 - (b) the Indenture, the Notes and the Guarantees thereof;
 - (c) purchase money obligations for property acquired in the ordinary course of business that impose restrictions of the nature discussed in clause (3) above on the property so acquired;

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- (d) applicable law or any applicable rule, regulation, order, approval, license, permit or other similar restriction, including under contracts with domestic or foreign governments or agencies thereof entered into in the ordinary course of business;
- (e) any agreement or other instrument (including an instrument governing Capital Stock or Indebtedness) of a Person acquired by the Company or any Restricted Subsidiaries in existence at the time of such acquisition or at the time it merges with or into the Company or any of its Restricted Subsidiaries or assumed in connection with the acquisition of assets from such Person (but, in any such case, not created in anticipation or contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or the property or assets so assumed;
- (f) contracts for the sale of assets, including customary restrictions with respect to a Subsidiary of the Company pursuant to an agreement that has been entered into for the sale or disposition of any Capital Stock or assets of such Subsidiary;
- (g) Secured Indebtedness otherwise permitted to be incurred pursuant to the covenants described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” and “—Liens,” to the extent limiting the right of the Company or any of its Restricted Subsidiaries to dispose of assets subject to such Lien;
- (h) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;
- (i) contractual encumbrances or restrictions existing under an agreement evidencing Indebtedness, Disqualified Stock or Preferred Stock of a Restricted Subsidiary of the Company permitted to be incurred subsequent to the Issue Date pursuant to the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; *provided* that (A) in the good faith judgment of the Company, such incurrence will not materially impair the Company’s ability to make payments under the Notes when due or (B) such encumbrances and restrictions apply only during the continuance of a default in respect of a payment or financial maintenance covenant relating to such Indebtedness;
- (j) customary provisions in joint venture agreements and other similar agreements or arrangements relating solely to such joint venture;
- (k) customary provisions contained in leases, licenses or similar agreements, including with respect to intellectual property and other agreements, in each case, entered into in the ordinary course of business;
- (l) non-assignment provisions of any contract or any lease of any Restricted Subsidiary entered into in the ordinary course of business;
- (m) restrictions on the transfer of assets subject to any Lien permitted under the Indenture imposed by the holder of such Lien;
- (n) any agreement or instrument governing Capital Stock of any Person that is acquired;
- (o) restrictions or conditions contained in any trading, netting, operating, construction, service, supply, purchase, sale or other agreement to which the Company or any of its Restricted Subsidiaries is a party entered into in the ordinary course of business; *provided* that such agreement prohibits the encumbrance solely of the property or assets of the Company or such Restricted Subsidiary that are subject to such agreement, the payment rights arising thereunder or the proceeds thereof and does not extend to any other asset or property of the Company or such Restricted Subsidiary or the assets or property of another Restricted Subsidiary;

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- (p) restrictions (contractual or otherwise) applicable to a Securitization Special Purpose Entity in connection with a Qualified Securitization Transaction; *provided* that such restrictions apply only to such Securitization Special Purpose Entity;
- (q) Indebtedness of Foreign Subsidiaries permitted to be incurred pursuant to clause (27) of the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; or
- (r) any encumbrances or restrictions of the type referred to in clauses (1), (2) and (3) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (a) through (q) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Company, either (i) not materially more restrictive with respect to such encumbrance and other restrictions taken as a whole than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing, or (ii) ordinary and customary with respect to such instruments and obligations at the time of such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

Reports and Other Information

For so long as the Company is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company will file with the SEC (and make available (without exhibits), without cost, to Holders or to the Trustee for provision to Holders, within the time periods specified in such Sections, to the extent not publicly available on the SEC’s EDGAR system or the Company’s public website; *provided*, *however*, that the Trustee shall have no responsibility whatsoever to determine whether such filing or any other filing described below has occurred),

- (1) within the time period then in effect under the rules and regulations of the Exchange Act with respect to the filing of a Form 10-K by a non-accelerated filer, annual reports on Form 10-K, or any successor or comparable form, containing the information required to be contained therein, or required in such successor or comparable form;
- (2) within the time period then in effect under the rules and regulations of the Exchange Act with respect to the filing of a Form 10-Q by a non-accelerated filer, for each of the first three fiscal quarters of each fiscal year, reports on Form 10-Q containing all quarterly information that would be required to be contained in Form 10-Q, or any successor or comparable form; and
- (3) within the time period then in effect under the rules and regulations of the Exchange Act with respect to the filing of a Form 8-K, after the occurrence of an event required to be therein reported, such other reports on Form 8-K, or any successor or comparable form;

in each case, taking into account any extension of time, deemed filing date or safe harbor contemplated or provided by Rule 12b-25, Rule 13a-11(c) and Rule 15d-11(c) under the Exchange Act or successor provisions and in a manner that complies in all material respects with the requirements specified in such form.

If, at any time, the Company is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act for any reason, the Company will nevertheless post the information required to be set forth in the reports specified above (other than (a) separate financial statements or condensed consolidating financial information required by Rule 3-10 or 3-16 of Regulation S-X, (b) information required by Item 10(e) of Regulation S-K or Regulation G under the Securities Act (in each case with respect to any non-GAAP financial measures contained therein) and (c) information required by Item 402 or 601 of Regulation S-K) on a public or password protected website and will provide such information to Holders and the Trustee (but will not be required to file such information with the SEC), in each case within the time periods that would apply if the Company were required to file such information with the SEC.

For purposes of this covenant, the Company will be deemed to have provided a required report to Holders and the Trustee if it has timely filed such report with the SEC via the EDGAR filing system (or any successor system).

Notwithstanding the foregoing, if any parent of the Company becomes a guarantor of the Notes (there being no obligation of such parent to do so), the reports, information and other documents required to be filed and provided as described above may, at the option of the Company, be filed by and be those of the parent, rather than those of the Company; *provided* that such reports include a reasonable explanation of the material differences (if any) between the assets, liabilities and results of operations of such parent and its consolidated Subsidiaries, on the one hand, and the Company and its Restricted Subsidiaries, on the other hand.

At any time when the Company is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act and to the extent not satisfied by the foregoing, for so long as any Notes are outstanding, the Company will furnish to Holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act. For the avoidance of doubt, this covenant will not require the Company or the Restricted Subsidiaries to provide or file any information pursuant to the Sarbanes-Oxley Act of 2002 and the related rules and regulations of the SEC that would not otherwise be applicable to them.

To the extent that any reports or other information is not furnished within the time periods specified above and such reports or other information is subsequently furnished prior to the time such failure results in an Event of Default, the Company will be deemed to have satisfied its obligations with respect thereto and any Default with respect thereto shall be deemed to have been cured.

At any time that any of the Company's Subsidiaries are Unrestricted Subsidiaries, if any such Unrestricted Subsidiary or group of Unrestricted Subsidiaries, taken together as one Subsidiary, would constitute a Significant Subsidiary of the Company, then the quarterly and annual financial information required pursuant to this "Reports and Other Information" covenant will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, or in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" or other comparable section, of the financial condition and results of operations of the Company and Restricted Subsidiaries separate from the financial condition and results of operations of such Unrestricted Subsidiaries.

Financial Calculations for Limited Condition Acquisitions

When calculating the availability under any basket or ratio under the Indenture, in each case in connection with a Limited Condition Acquisition, the date of calculation of such basket or ratio and determination as to whether any Default or Event of Default shall have occurred and be continuing may, at the option of the Company, be the date the definitive agreements for such Limited Condition Acquisition are entered into and, if the Company so elects, such baskets or ratios shall be calculated on a *pro forma* basis after giving effect to such Limited Condition Acquisition and the other transactions to be entered into in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) as if they occurred at the beginning of the applicable reference period for purposes of determining the ability to consummate any such Limited Condition Acquisition, and, for the avoidance of doubt, (x) if any of such baskets or ratios are exceeded as a result of fluctuations in such basket or ratio (including due to fluctuations in EBITDA of the Company or the target company) subsequent to such date of determination and at or prior to the consummation of the relevant Limited Condition Acquisition, such baskets or ratios will not be deemed to have been exceeded as a result of such fluctuations solely for purposes of determining whether the Limited Condition Acquisition is permitted under the Indenture and (y) such baskets or ratios need not be tested at the time of consummation of such Limited Condition Acquisition or related transactions; *provided, however*, that if the Company elects to have such calculation and determination occur at the time of entry into such definitive agreements, any such transactions (including any incurrence of Indebtedness and the use of proceeds thereof) shall be deemed to have occurred on

the date the definitive agreements are entered into for purposes of calculating any baskets or ratios under the Indenture after the date of such agreements and before the consummation of such Limited Condition Acquisition or, if applicable, the date that the definitive agreement for such Limited Condition Acquisition is terminated or expires without consummation of such Limited Condition Acquisition.

Events of Default and Remedies

The Indenture will provide that each of the following is an Event of Default:

- (1) default in payment when due and payable (whether at maturity, upon redemption, acceleration or otherwise) of principal of, or premium, if any, on the Notes;
- (2) default for 30 days or more in the payment when due of interest on or with respect to the Notes;
- (3) failure by the Company or any Subsidiary Guarantor for 60 days after receipt of written notice given by the Trustee or the Holders of not less than 25% of the aggregate principal amount of the then outstanding Notes (with a copy to the Trustee) to comply with any of its other obligations, covenants or agreements (other than a default referred to in clauses (1) and (2) above) contained in the Indenture or the Notes;
- (4) default under any mortgage, indenture or instrument under which there is issued or by which there is secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries or the payment of which is guaranteed by the Company or any of its Restricted Subsidiaries, other than Indebtedness owed to the Company or a Restricted Subsidiary, whether such Indebtedness or guarantee now exists or is created after the issuance of the Notes, if both:
 - (a) such default either results from the failure to pay any principal of such Indebtedness at its stated final maturity (after giving effect to any applicable grace periods) or relates to an obligation other than the obligation to pay principal of any such Indebtedness at its stated final maturity and results in the holder or holders of such Indebtedness causing such Indebtedness to become due prior to its stated maturity; and
 - (b) the principal amount of such Indebtedness, together with the principal amount of any other such Indebtedness in default for failure to pay principal at stated final maturity (after giving effect to any applicable grace periods), or the maturity of which has been so accelerated, aggregates \$100.0 million or more;
- (5) failure by the Company or any Significant Subsidiary to pay final judgments for the payment of money aggregating in excess of \$100.0 million, which final judgments remain unpaid, undischarged and unstayed for a period of more than 60 days after such judgment becomes final and non-appealable, and in the event such judgment is covered by insurance, an enforcement proceeding has been commenced by any creditor upon such judgment or decree which is not promptly stayed;
- (6) certain events of bankruptcy or insolvency with respect to the Company or any Significant Subsidiary; or
- (7) (i) the Guarantee of any Significant Subsidiary shall for any reason cease to be in full force and effect or be declared null and void, or (ii) any responsible officer of any Subsidiary Guarantor that is a Significant Subsidiary denies in writing that it has any further liability under its Guarantee or gives notice to such effect, other than by reason of the termination of the Indenture or the release of any such Guarantee in accordance with the Indenture.

If any Event of Default (other than of a type specified in clause (6) above) occurs and is continuing under the Indenture, the Trustee or the Holders of not less than 25% of the aggregate principal amount of all then outstanding Notes may declare the principal, premium, if any, interest and any other monetary obligations on all the then outstanding Notes to be due and payable immediately.

Upon the effectiveness of such declaration, such principal of and premium, if any, and interest will be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising under clause (6) of the first paragraph of this section, all outstanding Notes will become due and payable without further action or notice on the part of the Trustee or any Holder. The Indenture will provide that the Trustee may withhold from the Holders notice of any continuing Default, except a Default relating to the payment of principal, premium, if any, or interest, if it determines that withholding notice is in their interest. In addition, the Trustee will have no obligation to accelerate the Notes.

The Indenture will provide that the Holders of a majority of the aggregate principal amount of all then outstanding Notes, by notice to the Trustee, may on behalf of the Holders of all of the Notes waive any existing Default and its consequences under the Indenture except a continuing Default in the payment of interest on, premium, if any, or the principal of any Note held by a non-consenting Holder and rescind any acceleration with respect to the Notes and its consequences (*provided* such rescission would not conflict with any judgment or decree of a court of competent jurisdiction).

In the event of any Event of Default specified in clause (4) above, such Event of Default and all consequences thereof (excluding any resulting payment default, other than as a result of acceleration of the Notes) shall be annulled, waived and rescinded, automatically and without any action by the Trustee or the Holders, if within 30 days after such Event of Default arose:

- (1) the Indebtedness or guarantee that is the basis for such Event of Default has been discharged;
- (2) holders thereof have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to such Event of Default; or
- (3) the default that is the basis for such Event of Default has been cured.

The Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders of the Notes unless the Holders have offered to the Trustee indemnity or security satisfactory to the Trustee against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no Holder of a Note may pursue any remedy with respect to the Indenture or the Notes unless:

- (1) such Holder has previously given the Trustee notice that an Event of Default is continuing;
- (2) holders of at least 25% in the aggregate principal amount of all then outstanding Notes have requested the Trustee to pursue the remedy;
- (3) Holders of the Notes have offered the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense;
- (4) the Trustee has not complied with such request within 60 days after the receipt thereof and the offer of security or indemnity; and
- (5) holders of a majority in principal amount of all then outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

Subject to certain restrictions contained in the Indenture, the Holders of a majority in principal amount of the total outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that is unduly prejudicial to the rights of any other Holder of a Note or that would involve the Trustee in personal liability.

The Indenture will provide that the Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company is required, within 30 days of becoming aware of any continuing Default, to deliver to the Trustee a statement specifying such Default and steps to be taken to cure such Default.

No Personal Liability of Directors, Officers, Employees and Stockholders

No present, past or future director, officer, employee, member, partner, incorporator or equityholder of the Company, any Guarantor or any Subsidiary of the Company or any of their respective direct or indirect parent companies (except for the Company, any Subsidiary or parent company (if any) in its capacity as obligor or guarantor in respect of the Notes and not in its capacity as equityholder of any Subsidiary Guarantor) shall have any liability for any obligations of the Company or the Guarantors under the Notes, the Guarantees, the Indenture or for any claim based on, in respect of, or by reason of such obligations or their creation. Each Holder by accepting the Notes waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the federal securities laws and it is the view of the SEC that such waiver is against public policy.

Legal Defeasance and Covenant Defeasance

The Obligations of the Company and the Guarantors with respect to the Notes under the Indenture, the Notes or the Guarantees, as the case may be, will terminate (other than certain obligations) and will be released upon payment in full of all of the Notes. The Company may, at its option and at any time, elect to have all of its Obligations discharged with respect to the Notes and have each Guarantor's obligation discharged with respect to its Guarantee ("Legal Defeasance") and cure all then existing Events of Default except for:

- (1) the rights of Holders of Notes to receive payments in respect of the principal of, premium, if any, and interest on the Notes when such payments are due solely out of the trust created pursuant to the Indenture;
- (2) the Company's Obligations with respect to Notes concerning issuing temporary Notes, registration of such Notes, replacement of mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;
- (3) the rights and immunities of the Trustee, and the Company's obligations in connection therewith; and
- (4) the Legal Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have its obligations and those of each Guarantor released with respect to substantially all the restrictive covenants that are set forth in the Indenture ("Covenant Defeasance") and thereafter any omission to comply with such obligations shall not constitute a Default with respect to the Notes. In the event Covenant Defeasance occurs, each Guarantor shall be released from its Guarantee and certain events (not including bankruptcy, receivership, rehabilitation and insolvency events pertaining to the Company) described under "— Events of Default and Remedies" will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance with respect to the Notes:

- (1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in U.S. dollars, Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest due on the Notes on the stated maturity date or on the redemption date, as the case may be, of such principal, premium, if any, or interest on the Notes and the Company must specify whether the Notes are being defeased to maturity or to a particular redemption date;
- (2) in the case of Legal Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel confirming that, subject to customary assumptions and exclusions,
 - (a) the Company has received from, or there has been published by, the United States Internal Revenue Service a ruling, or
 - (b) since the issuance of the Notes, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that,

subject to customary assumptions and exclusions, the Holders of such Notes will not recognize income, gain or loss for U.S. federal income tax purposes, as applicable, as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

- (3) in the case of Covenant Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel confirming that, subject to customary assumptions and exclusions, the Holders of such Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to such tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;
- (4) no Default (other than that resulting from borrowing funds to be applied to make the deposit required to effect such Legal Defeasance or Covenant Defeasance and any similar and simultaneous deposit relating to other Indebtedness and, in each case, the granting of Liens in connection therewith) shall have occurred and be continuing on the date of such deposit;
- (5) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, the Senior Secured Credit Facilities or any other material agreement or instrument (other than the Indenture) to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound (other than that resulting with respect to any Indebtedness being defeased from any borrowing of funds to be applied to make the deposit required to effect such Legal Defeasance or Covenant Defeasance and any similar and simultaneous deposit relating to such Indebtedness, and the granting of Liens in connection therewith);
- (6) the Company shall have delivered to the Trustee an Officer's Certificate stating that the deposit was not made by the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or any Guarantor or others; and
- (7) the Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel (which Opinion of Counsel may be subject to customary assumptions and exclusions) each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance, as the case may be, have been complied with.

Notwithstanding the foregoing, the Opinion of Counsel required by clause (2) above with respect to a Legal Defeasance need not be delivered if all Notes not therefore delivered to the Trustee for cancellation (x) have become due and payable, or (y) will become due and payable on the maturity date within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in our name, and at our expense.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Notes, when:

- (1) either
 - (a) all Notes theretofore authenticated and delivered, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust, have been delivered to the Trustee for cancellation; or
 - (b) all Notes not theretofore delivered to the Trustee for cancellation have become due and payable by reason of the making of a notice of redemption or otherwise, will become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company and the Company or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders cash in U.S.

dollars, Government Securities, or a combination thereof, in such amounts as will be sufficient without consideration of any reinvestment of interest to pay and discharge the entire indebtedness on the Notes not theretofore delivered to the Trustee for cancellation for principal, premium, if any, and accrued interest to the date of maturity or redemption;

- (2) the Company has paid or caused to be paid all sums payable by it under the Indenture; and
- (3) the Company has delivered irrevocable instructions to the Trustee to apply the deposited money toward the payment of the Notes at maturity or the redemption date, as the case may be.

The Trustee will acknowledge the satisfaction and discharge of the Indenture if we have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel each stating that all conditions precedent to satisfaction and discharge have been complied with.

Amendment, Supplement and Waiver

Except as provided below, the Indenture, any Guarantee and the Notes may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the Notes then outstanding, including consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes and any existing Default or compliance with any provision of the Indenture or the Notes issued thereunder may be waived with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding, other than Notes beneficially owned by the Company or its Affiliates (including consents obtained in connection with a purchase of or tender offer or exchange offer for the Notes).

The Indenture will provide that, without the consent of each affected Holder of Notes, an amendment or waiver may not, with respect to any Notes held by a non-consenting Holder:

- (1) make any change in the percentage of the principal amount of the Notes required for amendments or waivers;
- (2) reduce the principal of or change the fixed final maturity of any Note or change the date on which any Notes may be subject to redemption or reduce the redemption price therefor;
- (3) reduce the rate of or change the time for payment of interest on any Note;
- (4) (A) waive a Default in the payment of principal of or premium, if any, or interest on the Notes, except a rescission of acceleration of the Notes by the Holders of a majority in aggregate principal amount of all then outstanding Notes, and a waiver of the payment default that resulted from such acceleration, or (B) waive a Default in respect of a covenant or provision contained in the Indenture or any Guarantee which cannot be amended or modified without the consent of all Holders;
- (5) make any Note payable in money other than U.S. dollars;
- (6) make any change in these amendment and waiver provisions;
- (7) impair the right of any Holder to receive payment of principal of, premium, if any, or interest on such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Notes or the Guarantees; or
- (8) make any change to or modify the ranking of the Notes that would adversely affect the Holders thereof.

Notwithstanding the foregoing, the Company, any Guarantor (with respect to a Guarantee or the Indenture to which it is a party) and the Trustee may amend or supplement the Indenture and any Guarantee or Notes without the consent of any Holder:

- (1) to cure any ambiguity, omission, mistake, defect or inconsistency;
- (2) to provide for uncertificated Notes in addition to or in place of certificated Notes or to alter the provisions of the Indenture relating to the form of the Notes (including the related definitions) in a

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manner that does not materially adversely affect any Holder (as determined in good faith by the Company (which determination shall be conclusive));

- (3) to comply with the covenant relating to mergers, consolidations and sales of assets;
- (4) to provide for the assumption of the Company's or any Guarantor's obligations to the Holders;
- (5) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights under the Indenture of any such Holder (as determined in good faith by the Company (which determination shall be conclusive));
- (6) to add covenants for the benefit of the Holders or to surrender any right or power conferred upon the Company or any Guarantor;
- (7) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof;
- (8) to provide for the issuance of exchange notes or private exchange notes, which are identical to exchange notes except that they are not freely transferable;
- (9) to provide for the issuance of Additional Notes in accordance with the Indenture;
- (10) to add a Guarantor under the Indenture and to allow a Guarantor to execute a supplemental indenture or guarantee the Notes or to release a Guarantor in accordance with the terms of the Indenture;
- (11) to conform the text of the Indenture, Guarantees or the Notes to any provisions of this "Description of 2025 Exchange Notes" to the extent that such provision in this "Description of 2025 Exchange Notes" was intended to be a verbatim recitation of a provision of the Indenture, Guarantee or Notes (as determined in good faith by the Company (which determination shall be conclusive));
- (12) to make any amendment to the provisions of the Indenture relating to the transfer and legending of Notes as permitted by the Indenture, including to facilitate the issuance and administration of the Notes; *provided, however*, that (i) compliance with the Indenture as so amended would not result in Notes being transferred in violation of the Securities Act or any applicable securities law and (ii) such amendment does not materially and adversely affect the rights of Holders to transfer Notes (in each case, as determined in good faith by the Company (which determination shall be conclusive));
- (13) to provide for the issuance of the Notes in a manner consistent with the terms of the Indenture; or
- (14) to comply with requirements of the SEC in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment or waiver. It is sufficient if such consent approves the substance of the proposed amendment or waiver.

For purposes of determining whether the Holders of the requisite principal amount of Notes have taken any action under the Indenture, the principal amount of Notes shall be deemed to be the principal amount of Notes as of (i) if a record date has been set with respect to the taking of such action, such date or (ii) if no such record date has been set, the date the taking of such action by the Holders of such requisite principal amount is certified to the Trustee by the Company.

Notices

Notices given by publication or electronic delivery will be deemed given on the first date on which publication or electronic delivery is made and notices given by first-class mail, postage prepaid, will be deemed given five calendar days after mailing or transmitting.

Concerning the Trustee

The Indenture will contain certain limitations on the rights of the Trustee thereunder, should it become a creditor of the Company, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; *however*, if it acquires any conflicting interest, it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as Trustee or resign.

The Indenture will provide that the Holders of a majority in principal amount of all then outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture will provide that in case an Event of Default shall occur (which shall not be cured), the Trustee will be required, in the exercise of the rights and powers vested in it by the Indenture, to use the degree of care of a prudent person in the conduct of his own affairs. The Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of the Notes, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to the Trustee against any loss, liability or expense.

Governing Law

The Indenture, the Notes and any Guarantee will be governed by and construed in accordance with the laws of the State of New York.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. For purposes of the Indenture, unless otherwise specifically indicated, the term “consolidated” with respect to any Person refers to such Person consolidated with its Restricted Subsidiaries, and excludes from such consolidation any Unrestricted Subsidiary as if such Unrestricted Subsidiary were not an Affiliate of such Person.

“2024 Notes” means the Company’s 5.500% senior unsecured notes due 2024.

“Acquired Indebtedness” means, with respect to any specified Person,

- (1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Restricted Subsidiary of such specified Person, including Indebtedness incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Restricted Subsidiary of such specified Person, and
- (2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this Description of 2025 Exchange Notes, “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

“Applicable Premium” means, with respect to any Note on any date of redemption, the greater of:

- (1) 1.0% of the then outstanding principal amount of such Note; and
- (2) the excess, if any, of (a) the present value at such date of redemption of (i) the redemption price of such Note at August 15, 2020 (such redemption price being set forth in the table appearing above under the heading “—Optional Redemption”) plus (ii) all required interest payments due on such Note through,

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August 15, 2020 (excluding accrued but unpaid interest to the date of redemption), computed using a discount rate equal to the Treasury Rate as of such date of redemption plus 50 basis points; over (b) the then outstanding principal amount of such Note.

“Ashland” means Ashland LLC, a Kentucky limited liability company.

“Ashland Chemco” means Ashland Chemco Inc., a Delaware corporation.

“Ashland Chemco Internal Spin-Off” means the distribution by Valvoline of the shares of Ashland Chemco, a newly formed entity that will ultimately be the direct parent of Ashland, to Ashland Global, such that Ashland Global holds the Valvoline Business exclusively through Valvoline and Ashland Global holds Ashland and the Chemicals Business exclusively through Ashland Chemco.

“Ashland Global” means Ashland Global Holdings Inc., a Delaware corporation.

“Ashland Reorganization” means the reorganization of Ashland, Valvoline and their respective subsidiaries under a new public holding company, Ashland Global.

“Asset Sale” means:

- (1) the sale, conveyance, transfer or other disposition, whether in a single transaction or a series of related transactions, of property or assets (including by way of a Sale and Lease-Back Transaction) of the Company or any of its Restricted Subsidiaries (each referred to in this definition as a “disposition”); or
- (2) the issuance or sale of Equity Interests of any Restricted Subsidiary (other than Preferred Stock of Restricted Subsidiaries issued in compliance with the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”), whether in a single transaction or a series of related transactions;

in each case, other than:

- (a) any disposition of Cash Equivalents or Investment Grade Securities, obsolete or worn-out property or equipment in the ordinary course of business or any disposition of inventory or goods (or other assets) held for sale or no longer used in the ordinary course of business;
- (b) the disposition of all or substantially all of the assets of the Company in a manner permitted pursuant to the provisions described above under “—Certain Covenants—Merger, Consolidation or Sale of All or Substantially All Assets” or any disposition that constitutes a Change of Control pursuant to the Indenture;
- (c) the making of any Restricted Payment or Permitted Investment that is permitted to be made, and is made, under the covenant described above under “—Certain Covenants—Limitation on Restricted Payments”;
- (d) any disposition of assets or issuance or sale of Equity Interests of any Restricted Subsidiary in any transaction or series of transactions with an aggregate fair market value of less than \$25.0 million;
- (e) any disposition of property or assets or issuance of securities by a Restricted Subsidiary of the Company to the Company or by the Company or a Restricted Subsidiary of the Company to another Restricted Subsidiary of the Company;
- (f) to the extent allowable under Section 1031 of the Internal Revenue Code of 1986, as amended, or comparable law or regulation, any exchange of like property (excluding any boot thereon) for use in a Similar Business;
- (g) the lease, assignment or sub-lease of any real or personal property in the ordinary course of business or to the extent required by, or made pursuant to, customary buy/sell arrangements between joint venture parties set forth in any joint venture or similar binding agreement;

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- (h) any issuance or sale of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;
- (i) foreclosures, condemnations or any similar action with respect to assets or the granting of Liens not prohibited by the Indenture;
- (j) any financing transaction with respect to the acquisition or construction of property by the Company or any Restricted Subsidiary after the Issue Date, including Sale and Lease-Back Transactions, and asset securitizations permitted by the Indenture;
- (k) (i) the licensing and sub-licensing of intellectual property or other general intangibles in the ordinary course of business or consistent with past practice and (ii) a grant of a license to use the Company's or any Restricted Subsidiary's patents, trade secrets, know-how or other intellectual property to the extent that such license does not limit in any material respect the licensor's use of the patent, trade secret, know-how or other intellectual property in the Company's business;
- (l) the sale, discount or other disposition of inventory, accounts receivable or notes receivable in the ordinary course of business or the conversion of accounts receivable to notes receivable;
- (m) any surrender or waiver of contract rights or the settlement, release or surrender of contract rights or other litigation claims in the ordinary course of business;
- (n) any contribution, sale, conveyance, transfer or other disposition of Securitization Assets to a Securitization Special Purpose Entity as part of, pursuant to or in connection with a Qualified Securitization Transaction; and
- (o) any disposition of assets effected pursuant to the Separation Transactions.

"Asset Sale Offer" has the meaning set forth in the fourth paragraph under "—Repurchase at the Option of Holders—Asset Sales."

"Assumption" means the merger of Valvoline Finco Two LLC ("Finco Two") with and into the Company, with the Company surviving, and the assumption by the Company of the obligations of Finco Two under the indenture for the 2024 Notes, the 2024 Notes and the Senior Secured Credit Facilities.

"Assumption Date" means September 26, 2016.

"Attributable Indebtedness" means, on any date, but without duplication, (a) in respect of any Capitalized Lease Obligation of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease or similar payments under the relevant lease or other applicable agreement or instrument that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease or other agreement or instrument were accounted for as a Capitalized Lease Obligation and (c) all Synthetic Debt of such Person.

"board of directors" means, with respect to a corporation, the board of directors of the corporation, and, with respect to any other Person, the board or committee of such Person, or board of directors of the general partner or general manager of such Person, serving a similar function.

"Business Day" means each day that is not a Legal Holiday.

"Calculation Date" means the date on which the event for which the calculation of the Consolidated Net Leverage Ratio, Consolidated Secured Net Leverage Ratio or the Fixed Charge Coverage Ratio, as applicable, shall occur.

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“Capital Stock” means:

- (1) in the case of a corporation, corporate stock;
- (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;
- (3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and
- (4) any other interest or participation (including, without limitation, quotas) that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

“Capitalized Lease Obligation” means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP.

“Cash Equivalents” means:

- (1) readily marketable obligations issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof having maturities of not more than 360 days from the date of acquisition thereof; *provided* that the full faith and credit of the United States is pledged in support thereof;
- (2) time deposits with, or insured certificates of deposit or bankers’ acceptances of, any commercial bank that (i) (A) is a lender under the Senior Secured Credit Facilities or (B) is organized under the laws of the United States, any State thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any State thereof or the District of Columbia, and is a member of the Federal Reserve System, (ii) issues (or the parent of which issues) commercial paper rated as described in clause (3) of this definition and (iii) has combined capital and surplus of at least \$1,000,000,000, in each case with maturities of not more than 360 days from the date of acquisition thereof;
- (3) commercial paper issued by any Person organized under the laws of any State of the United States and rated at least “Prime-2” (or the then equivalent grade) by Moody’s or at least “A-2” (or the then equivalent grade) by S&P, in each case with maturities of not more than 360 days from the date of acquisition thereof;
- (4) Investments, classified in accordance with GAAP as current assets of the Company or any of its Restricted Subsidiaries, in money market investment programs registered under the Investment Company Act of 1940, which are administered by financial institutions that have the highest rating obtainable from either Moody’s or S&P, and the portfolios of which are limited solely to Investments of the character, quality and maturity described in clauses (1), (2) and (3) of this definition;
- (5) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (1) above and entered into with a financial institution satisfying the criteria described in clause (2) above; and
- (6) in the case of any Foreign Subsidiary, investments which are similar to the items specified in subsections (1) through (5) of this definition made in the ordinary course of business.

“Change of Control” means the occurrence of any one of the following:

- (1) the sale, lease or transfer, in one or a series of related transactions, of all or substantially all of the property and assets of the Company and its Subsidiaries, taken as a whole, to any Person other than the Company or any of its Subsidiaries; or
- (2) the Company becomes aware of (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) the acquisition by any Person or group (within

the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act, or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act), in a single transaction or in a related series of transactions, by way of acquisition, merger, amalgamation, consolidation, transfer, conveyance or other business combination or purchase of ultimate beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Company, other than by virtue of (a) the imposition of one or more holding companies (including in connection with a business combination and regardless of whether any such holding company has other assets) or (b) the reincorporation of the Company in another jurisdiction, if in the case of either (a) or (b) the beneficial owners of the Voting Stock of the Company immediately prior to such transaction directly or indirectly hold a majority of the voting power of the Voting Stock of such holding company or reincorporation entity immediately thereafter.

For the purposes of this definition, the term “Person” shall be defined as that term is used in Section 13(d)(3) of the Exchange Act and the term “beneficial owner” shall be defined as that term is used in Rules 13d-3 and 13d-5 under the Exchange Act.

“Chemicals Business” means Ashland’s specialty ingredients and performance materials businesses.

“Consolidated Depreciation and Amortization Expense” means, with respect to any Person for any period, the total amount of depreciation and amortization expense and capitalized fees related to any Qualified Securitization Transaction or a Receivables Facility and amortization of intangible assets, debt issuance costs, commissions, fees and expenses, including the amortization of deferred financing fees of such Person and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP (excluding, in each case, amortization expense attributable to a prepaid cash item that was paid in a prior period).

“Consolidated Indebtedness” means, as of any date of determination, for the Company and its Restricted Subsidiaries on a consolidated basis, the sum of, without duplication (a) the outstanding principal amount of all obligations (as calculated under GAAP), whether current or long-term, for borrowed money (including Obligations in respect of the Indebtedness hereunder), reimbursement obligations for amounts drawn under letters of credit and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments, (b) all direct (but, for the avoidance of doubt, not contingent) obligations arising under bankers’ acceptances and bank guaranties, (c) all Attributable Indebtedness, and (d) without duplication, all guarantees with respect to outstanding Indebtedness of the types specified in clauses (a) through (c) above of Persons other than the Company or any Restricted Subsidiary. For purposes hereof, the Consolidated Indebtedness of the Company and the Restricted Subsidiaries shall include any of the items in clauses (a) through (d) above of any other entity (including any partnership in which the Company or any consolidated Subsidiary is a general partner) to the extent the Company or such consolidated Subsidiary is liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of that item expressly provide that such Person is not liable therefor. For all purposes hereunder, Consolidated Indebtedness shall (i) be calculated on a *pro forma* basis unless otherwise specified and (ii) include all outstandings of the Company and its Restricted Subsidiaries under any Receivables Facility. Notwithstanding the foregoing, the principal amount outstanding at any time of any Indebtedness included in Consolidated Indebtedness issued with original issue discount shall be the principal amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP, but such Indebtedness shall be deemed incurred only as of the date of original issuance thereof.

“Consolidated Interest Expense” means, as of any date of determination for any period, the excess of (a) the sum, without duplication, of (i) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, (ii) cash payments made in

respect of obligations referred to in clause (b)(ii) below, (iii) the portion of rent expense under Capitalized Lease Obligations that is treated as interest in accordance with GAAP, in each case, of or by the Company and its Restricted Subsidiaries on a consolidated basis at such determination date, (iv) all interest, premium payments, debt discount, fees, charges and related expenses in connection with a Receivables Facility, (v) solely for the purpose of determining the ability to incur Indebtedness under the first paragraph of “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock,” any interest expense of Indebtedness of another Person guaranteed by such Person or one or more of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries (as reasonably determined by such Person or one or more of its Restricted Subsidiaries, as applicable (which determination shall be conclusive)) and (vi) whether or not treated as interest expense in accordance with GAAP, all cash dividends or other distributions accrued (excluding dividends payable solely in Equity Interests (other than Disqualified Stock) of the Company) on any series of Disqualified Stock or any series of Preferred Stock during such period, minus (b) to the extent included in such consolidated interest expense at such determination date, the sum, without duplication, of (i) extinguishment charges relating to the early extinguishment of Indebtedness or obligations under Swap Contracts, (ii) noncash amounts attributable to the amortization of debt discounts or accrued interest payable in kind, (iii) noncash amounts attributable to amortization or write-off of capitalized interest or other financing costs paid in a previous period, (iv) interest income treated as such in accordance with GAAP and (v) fees and expenses, original issue discount and upfront fees, in each case of or by the Company and its Restricted Subsidiaries on a consolidated basis at such determination data.

“Consolidated Net Income” means, as of any date of determination, the Net Income (or loss) of the Company and its Restricted Subsidiaries on a consolidated basis for any period (determined on a *pro forma* basis for any period of time prior to the Assumption Date as if the Company and its Restricted Subsidiaries owned the Valvoline Business during such period of time); *provided* that Consolidated Net Income shall exclude:

- (a) solely for the purpose of determining the amount available for Restricted Payments under clause (3)(a) of the first paragraph of “—Certain Covenants—Limitation on Restricted Payments,” the Net Income of any Subsidiary during such period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of its organizational documents or any agreement, instrument or law applicable to such Subsidiary during such period (unless such restrictions on dividends or similar distributions have been legally and effectively waived), except that the Company’s equity in any net loss of any such Subsidiary for such period shall be included in determining Consolidated Net Income;
- (b) any after-tax income (or after-tax loss) for such period of any Person if such Person is not a Restricted Subsidiary, except that the Company’s equity in such income of any such Person for such period shall be included in Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to the Company or a Restricted Subsidiary as a dividend or other distribution (and in the case of a dividend or other distribution to a Restricted Subsidiary, such Restricted Subsidiary is not precluded from further distributing such amount to the Company as described in clause (a) of this proviso);
- (c) any after-tax gain or after-tax loss realized as a result of the cumulative effect of a change in accounting principles or the implementation of new accounting standards related to revenue and lease accounting;
- (d) any after-tax gain or after-tax loss attributable to any foreign currency hedging arrangements or currency fluctuations;
- (e) after-tax extinguishment charges relating to the early extinguishment of Indebtedness and obligations under Swap Contracts and after-tax extinguishment charges relating to upfront fees and original issue discount on Indebtedness;
- (f) any pension or other post-retirement after-tax gain or after-tax expense for such determination date; *provided* that Consolidated Net Income shall be reduced by the amount of any cash payments at such

determination date relating to pension and other post-retirement costs (except for any payments made in respect of the pension funding in excess of the amount of required regulatory contributions at such determination date (as reasonably determined by the Company, which determination shall be conclusive)); and

- (g) any gains or losses or other financial impact from any restructuring related to, connected with, or in any way arising from the Separation Transactions.

“Consolidated Net Leverage Ratio” means, as of the applicable Calculation Date, the ratio of (a) the Consolidated Indebtedness of the Company and its Restricted Subsidiaries as of such Calculation Date less Unrestricted Cash of the Company and its Restricted Subsidiaries as of such Calculation Date (in each case, determined after giving *pro forma* effect to such incurrence of Indebtedness, and each other incurrence, assumption, guarantee, redemption, retirement and extinguishment of Indebtedness as of such Calculation Date) to (b) EBITDA of the Company and its Restricted Subsidiaries for the most recent four fiscal quarter period ending immediately prior to such Calculation Date for which internal financial statements are available. For purposes of determining the “Consolidated Net Leverage Ratio,” “EBITDA” shall be subject to the adjustments applicable to “EBITDA” as provided for in the definition of “Fixed Charge Coverage Ratio.”

“Consolidated Secured Net Leverage Ratio” means, as of the applicable Calculation Date, the ratio of (a) the Consolidated Indebtedness of the Company and its Restricted Subsidiaries that is secured as of such Calculation Date less Unrestricted Cash of the Company and its Restricted Subsidiaries as of such Calculation Date (in each case, determined after giving *pro forma* effect to such incurrence of Indebtedness, and each other incurrence, assumption, guarantee, redemption, retirement and extinguishment of Indebtedness as of such Calculation Date) to (b) EBITDA of the Company and its Restricted Subsidiaries for the most recent four fiscal quarter period ending immediately prior to such Calculation Date for which internal financial statements are available. For purposes of determining the “Consolidated Secured Leverage Ratio,” “EBITDA” shall be subject to the adjustments applicable to “EBITDA” as provided for in the definition of “Fixed Charge Coverage Ratio.”

“Contingent Obligations” means, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends or other obligations that do not constitute Indebtedness (“primary obligations”) of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent,

- (1) to purchase any such primary obligation or any property constituting direct or indirect security therefor,
- (2) to advance or supply funds
 - (a) for the purchase or payment of any such primary obligation, or
 - (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, or
- (3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

“Contribution” means the transfer by Ashland to the Company of substantially all of the historical assets and liabilities related to the Valvoline Business, as well as other assets and liabilities.

“Credit Facilities” means, with respect to the Company or any of its Restricted Subsidiaries, one or more debt facilities, including the Senior Secured Credit Facilities, or other financing arrangements (including, without limitation, commercial paper facilities or indentures), providing for revolving credit loans, term loans or letters of credit or other long-term indebtedness, including any notes, mortgages, guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof and any indentures or credit facilities or commercial

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paper facilities that replace, refund or refinance any part of the loans, notes, other credit facilities or commitments thereunder, including any such replacement, refunding or refinancing facility or indenture that increases the amount permitted to be borrowed thereunder or alters the maturity thereof (*provided* that such increase in borrowings is permitted under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”) or adds Restricted Subsidiaries as additional borrowers or guarantors thereunder and whether by the same or any other agent, lender, investor or group of lenders.

“Debtor Relief Laws” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Default” means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

“Designated Non-cash Consideration” means the fair market value of non-cash consideration received by the Company or a Restricted Subsidiary in connection with an Asset Sale that is so designated as Designated Non-cash Consideration pursuant to an Officer’s Certificate, setting forth the basis of such valuation, executed by the principal financial officer of the Company, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of or collection on such Designated Non-cash Consideration.

“Designated Preferred Stock” means Preferred Stock of the Company or any parent corporation thereof (in each case other than Disqualified Stock) that is issued for cash (other than to a Restricted Subsidiary or an employee stock ownership plan or trust established by the Company or any of its Subsidiaries) and is so designated as Designated Preferred Stock pursuant to an Officer’s Certificate executed by the principal financial officer of the Company on the issuance date thereof, the cash proceeds of which are excluded from the calculation set forth in clause (3) of the first paragraph of the “—Certain Covenants—Limitation on Restricted Payments” covenant.

“Disqualified Stock” means, with respect to any Person, any Capital Stock of such Person that, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable (other than solely as a result of a change of control or asset sale and other than if redeemable for Capital Stock of such Person that is not itself Disqualified Stock) pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than solely as a result of a change of control or asset sale and other than if redeemable for Capital Stock of such Person that is not itself Disqualified Stock), in whole or in part, in each case prior to the date that is 91 days after the maturity date of the Notes; *provided, however*, that if such Capital Stock is issued to any plan for the benefit of employees of the Company or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Company or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations.

“Domestic Restricted Subsidiary” means any Restricted Subsidiary that is organized or existing under the laws of the United States, any state thereof, or the District of Columbia other than any such Restricted Subsidiary that is a (a) direct or indirect Subsidiary of a Foreign Subsidiary or a Foreign Subsidiary Holding Company or (b) Foreign Subsidiary Holding Company.

“EBITDA” means, as of any date of determination for any period, an amount equal to Consolidated Net Income for such period plus

- (a) proceeds of business interruption insurance received during such period, but only to the extent not included in Consolidated Net Income plus

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- (b) the following to the extent deducted in calculating such Consolidated Net Income, but without duplication and in each case at such determination date:
- (i) Consolidated Interest Expense;
 - (ii) the provision for federal, state, local and foreign income taxes payable;
 - (iii) Consolidated Depreciation and Amortization Expense;
 - (iv) asset impairment charges;
 - (v) expenses reimbursed by third parties (including through insurance and indemnity payments);
 - (vi) fees and expenses incurred in connection with the Separation Transactions, any Receivables Facility, any proposed or actual issuance of any Indebtedness or Equity Interests (including upfront fees and original issue discount), or any proposed or actual acquisitions, investments, asset sales or divestitures permitted hereunder, in each case that are expensed;
 - (vii) non-cash restructuring and integration charges and cash restructuring and integration charges; *provided* that the aggregate amount of all cash restructuring and integration charges shall not exceed 15% of EBITDA for any twelve-month period, calculated immediately before giving effect to the addback in this clause (vii);
 - (viii) non-cash stock expense and non-cash equity compensation expense;
 - (ix) other expenses or losses, including purchase accounting entries such as the inventory adjustment to fair value, reducing such Consolidated Net Income which do not represent a cash item in such period or any future period;
 - (x) expenses or losses in respect of discontinued operations of the Company or any of its Restricted Subsidiaries;
 - (xi) any unrealized losses attributable to the application of “mark to market” accounting in respect of Swap Contracts; and
 - (xii) with respect to any Asset Sale for which pro forma effect is required to be given, any loss thereon;

and minus

- (c) the following to the extent included in calculating such Consolidated Net Income, but without duplication and in each case at such determination date:
- (i) federal, state, local and foreign income tax credits;
 - (ii) all non-cash gains or other items increasing Consolidated Net Income;
 - (iii) gains in respect of discontinued operations of the Company or any of its Restricted Subsidiaries;
 - (iv) any unrealized gains for such period attributable to the application of “mark to market” accounting in respect of Swap Contracts; and
 - (v) with respect to any Asset Sale for which pro forma effect is required to be given, any gain thereon.

“Equity Interests” means Capital Stock and all warrants, options or other rights to acquire Capital Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

“Equity Offering” means any public or private sale of common stock or Preferred Stock of the Company (excluding Disqualified Stock), other than:

- (1) public offerings with respect to the Company’s common stock registered on Form S-8; and
- (2) issuances to any Subsidiary of the Company or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Company.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

“fair market value” means, with respect to any asset or liability, the fair market value of such asset or liability as determined by the Company in good faith (which determination shall be conclusive).

“Fixed Charge Coverage Ratio” means, with respect to any Person for any period, the ratio of EBITDA of such Person for such period to the Consolidated Interest Expense of such Person for such period. In the event that the Company or any Restricted Subsidiary incurs, assumes, guarantees, redeems, retires or extinguishes any Indebtedness (other than Indebtedness incurred under any revolving credit facility unless such Indebtedness has been permanently repaid and has not been replaced) or issues or redeems Disqualified Stock or Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated but prior to or simultaneously with the event for which the calculation of the Fixed Charge Coverage Ratio is made, then the Fixed Charge Coverage Ratio shall be calculated giving *pro forma* effect to such incurrence, assumption, guarantee, redemption, retirement or extinguishment of Indebtedness, or such issuance or redemption of Disqualified Stock or Preferred Stock, as if the same had occurred at the beginning of the applicable four-quarter period.

For purposes of making the computation referred to above, Investments, acquisitions, dispositions, mergers, consolidations and disposed operations (as determined in accordance with GAAP) that have been made by the Company or any of its Restricted Subsidiaries during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Fixed Charge Coverage Ratio Calculation Date shall be calculated on a *pro forma* basis, assuming that all such Investments, acquisitions, dispositions, mergers, consolidations and disposed operations (and the change in any associated fixed charge obligations and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into the Company or any of its Restricted Subsidiaries since the beginning of such period shall have made any Investment, acquisition, disposition, merger, consolidation or disposed operation that would have required adjustment pursuant to this definition, then the Fixed Charge Coverage Ratio shall be calculated giving *pro forma* effect thereto for such period as if such Investment, acquisition, disposition, merger, consolidation or disposed operation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever *pro forma* effect is to be given to an Investment, acquisition, disposition, merger, consolidation, disposed operation or any other transaction, the *pro forma* calculations shall be made in good faith by a responsible financial or accounting officer of the Company (and may include, for the avoidance of doubt and without duplication, cost savings and operating expense reduction resulting from such Investment, acquisition, disposition, merger, consolidation, disposed operation or other transaction, in each case calculated in the manner described in the definition of “EBITDA” herein). If any Indebtedness bears a floating rate of interest and is being given *pro forma* effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the applicable Calculation Date had been the applicable rate for the entire period (taking into account any Swap Contracts applicable to such Indebtedness). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Company to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a *pro forma* basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period except as set forth in the first paragraph of this definition. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a Eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Company may designate.

“Foreign Subsidiary” means, with respect to any Person, any Subsidiary of such Person that is not organized or existing under the laws of the United States, any state thereof, or the District of Columbia and any direct or indirect Subsidiary of such Foreign Subsidiary.

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“Foreign Subsidiary Holding Company” means, with respect to any Person, any Subsidiary of such Person substantially all of whose assets consist of Equity Interests and/or Indebtedness of one or more (a) Foreign Subsidiaries and/or (b) Subsidiaries described in this definition.

“GAAP” means generally accepted accounting principles in the United States of America which are in effect from time to time that are applicable as of the date of determination; *provided* that no effect shall be given to any change in GAAP arising out of a change described in the Accounting Standard Update Exposure Drafts related to leases (including capital leases) or any other substantially similar pronouncement.

“Government Securities” means securities that are:

- (1) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged;
- (2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which are not callable or redeemable at the option of the issuers thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act), as custodian with respect to any such Government Securities or a specific payment of principal of or interest on any such Government Securities held by such custodian for the account of the holder of such depository receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Government Securities or the specific payment of principal of or interest on the Government Securities evidenced by such depository receipt; or
- (3) AAA rated money market mutual funds, where 100% of the holdings are in securities described in clauses (1) or (2) of this definition of Government Securities or repurchase agreements that are fully collateralized by securities described in clauses (1) or (2) of this definition of Government Securities.

“guarantee” means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business and Standard Securitization Undertakings), direct or indirect, in any manner (including letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness or other obligations.

“Guarantee” means the guarantee by any Guarantor of the Company’s Obligations under the Indenture and the Notes.

“Guarantor” means each Subsidiary Guarantor and any other Person that becomes a Guarantor in accordance with the terms of the Indenture.

“Holder” means the Person in whose name a Note is registered on the applicable registrar’s books.

“Indebtedness” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

- (1) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;
- (2) the maximum amount of all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers’ acceptances, bank guaranties, surety bonds and similar instruments, except to the extent that such instruments support Indebtedness of the type referred to in subclause (i) of the parenthetical in clause (4) of this defined term;
- (3) net obligations of such Person under any Swap Contract, other than any Swap Contract that pursuant to its terms may be satisfied by delivery of Equity Interests of the Company;

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- (4) all obligations of such Person to pay the deferred purchase price of property or services (other than (i) trade accounts payable in the ordinary course of business, (ii) any earn-out or similar obligation that is a contingent obligation or that is not reasonably determinable as of the applicable date of determination and (iii) any earn-out or similar obligation that is not a contingent obligation and that is reasonably determinable as of the applicable date of determination to the extent that (A) such Person is indemnified for the payment thereof by a third party reasonably believed by such Person to be solvent or (B) amounts to be applied to the payment therefor are in escrow);
- (5) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;
- (6) (i) all Attributable Indebtedness of such Person and (ii) all obligations of such Person under any Receivables Facility; and
- (7) all guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the swap termination value thereof as of such date. Notwithstanding the foregoing, the principal amount outstanding at any time of any Indebtedness issued with original issue discount shall be the principal amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP, but such Indebtedness shall be deemed incurred only as of the date of original issuance thereof.

"Independent Financial Advisor" means an accounting, appraisal or investment banking firm of nationally recognized standing that is, in the good faith judgment of the Company, qualified to perform the task for which it has been engaged.

"Investment Grade Rating" means a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, or an equivalent rating by any other Rating Agency.

"Investment Grade Securities" means:

- (1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents);
- (2) debt securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Company and its Subsidiaries;
- (3) investments in any fund that invests exclusively in investments of the type described in clauses (1) and (2) (which fund may also hold immaterial amounts of cash pending investment or distribution thereof); and
- (4) corresponding instruments in countries other than the United States customarily utilized for high quality investments.

"Investments" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees), advances or capital contributions (excluding accounts receivable, trade credit, advances to customers, commission, travel and similar advances to directors, officers, employees and consultants in each case made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet (excluding the footnotes) of the Company in the

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same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property. For purposes of the definition of “Unrestricted Subsidiary” and the covenant described under “—Certain Covenants—Limitation on Restricted Payments”:

- (1) “Investments” shall include the portion (proportionate to the Company’s equity interest in such Subsidiary) of the fair market value of the net assets of a Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; *provided, however*, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent “Investment” in an Unrestricted Subsidiary in an amount (if positive) equal to:
 - (a) the Company’s “Investment” in such Subsidiary at the time of such redesignation; less
 - (b) the portion (proportionate to the Company’s equity interest in such Subsidiary) of the fair market value of the net assets of such Subsidiary at the time of such redesignation; and
- (2) any property transferred to or from an Unrestricted Subsidiary shall be valued at its fair market value at the time of such transfer.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced by any dividend, distribution, interest payment, return of capital, repayment or other amount received in cash or Cash Equivalents by the Company or a Restricted Subsidiary in respect of such Investment.

“IPO” means the Company’s initial public offering, which closed on September 28, 2016.

“Issue Date” means August 8, 2017.

“Legal Holiday” means a Saturday, a Sunday or a day on which commercial banking institutions are required to be closed in the State of New York or a place of payment with respect to the Notes.

“Lien” means, with respect to any asset, any mortgage, lien (statutory or otherwise), pledge, hypothecation, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction; *provided* that in no event shall an operating lease be deemed to constitute a Lien.

“Limited Condition Acquisition” means any acquisition, including by way of merger or consolidation, by the Issuer or one or more of its Restricted Subsidiaries in which consummation is not conditioned upon the availability of, or on obtaining, third party financing.

“Moody’s” means Moody’s Investors Service, Inc. and any successor to its rating agency business.

“Net Income” means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends.

“Net Proceeds” means the aggregate cash proceeds and Cash Equivalents received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale, including any cash and Cash Equivalents received upon the sale or other disposition of any Designated Non-cash Consideration received in any Asset Sale, net of the direct costs relating to such Asset Sale and the sale or disposition of such Designated Non-cash Consideration, including legal, accounting and investment banking fees, and brokerage and sales commissions, any relocation expenses incurred as a result thereof, taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements), amounts required to be applied to the repayment of Indebtedness secured by a Lien on such assets (other than required by clause (1) of the second paragraph of “—Repurchase at the Option of Holders—Asset Sales”) and any deduction of

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appropriate amounts to be provided by the Company or any of its Restricted Subsidiaries as a reserve in accordance with GAAP against any liabilities associated with the asset disposed of in such transaction and retained by the Company or any of its Restricted Subsidiaries after such sale or other disposition thereof, including pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction.

“Obligations” means any principal, interest (including any interest accruing subsequent to the filing of a petition in bankruptcy, reorganization or similar proceeding at the rate provided for in the documentation with respect thereto, whether or not such interest is an allowed claim under applicable state, federal or foreign law), premium, penalties, fees, indemnifications, reimbursements (including reimbursement obligations with respect to letters of credit and banker’s acceptances), damages and other liabilities, and guarantees of payment of such principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities, payable under the documentation governing any Indebtedness.

“Officer” means the Chairman of the board of directors, the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, the President, any Executive Vice President, any Senior Vice President, any duly authorized Vice President, the Treasurer or the Secretary of the Company or a Guarantor.

“Officer’s Certificate” means a certificate signed on behalf of the Company by an Officer of the Company or on behalf of a Guarantor by an Officer of such Guarantor (or if such Guarantor is a general partnership, one of the partners of the Guarantor).

“Opinion of Counsel” means a written opinion from legal counsel who is acceptable to the Trustee. The counsel may be an employee of or counsel to the Company or a Subsidiary of the Company.

“Permitted Investment” means:

- (1) any Investment in the Company or any of its Restricted Subsidiaries or any Person that will become a Restricted Subsidiary as a result of such Investment;
- (2) any Investment in cash or Cash Equivalents or Investment Grade Securities;
- (3) any Investment acquired after the Issue Date as a result of the acquisition by the Company or any Restricted Subsidiary of the Company of another Person, including by way of a merger, amalgamation or consolidation with or into the Company or any of its Restricted Subsidiaries in a transaction that is not prohibited by the provisions described under “—Certain Covenants—Merger, Consolidation or Sale of All or Substantially All Assets,” to the extent that such Investments were not made in anticipation or contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;
- (4) any Investment in securities or other assets, including earn-outs, not constituting Cash Equivalents or Investment Grade Securities and received in connection with an Asset Sale made pursuant to the first paragraph under “—Repurchase at the Option of Holders—Asset Sales” or any other disposition of assets not constituting an Asset Sale;
- (5) any Investment existing on the Issue Date or an Investment consisting of any extension, modification or renewal of any such Investment or made pursuant to binding commitments in effect on the Issue Date; *provided* that the amount of any such Investment may be increased pursuant to such extension, modification or renewal only (a) as required by the terms of such Investment or binding commitment as in existence on the Issue Date (including as a result of the accrual or accretion of interest or original issue discount or the issuance of pay-in-kind securities) or (b) as otherwise permitted under the Indenture;
- (6) any Investment acquired by the Company or any of its Restricted Subsidiaries:
 - (a) consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business;

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- (b) in exchange for any other Investment or accounts receivable, endorsements for collection or deposit held by the Company or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the issuer of such other Investment or accounts receivable (including any trade counterparty or customer);
 - (c) in satisfaction of judgments against other Persons; or
 - (d) as a result of a foreclosure by the Company or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;
- (7) Swap Contracts permitted under clause (10) of the second paragraph under the covenant described in “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
 - (8) Investments the payment for which consists of Equity Interests (other than Disqualified Stock) of the Company; *provided*, *however*, that such Equity Interests will not increase the amount available for Restricted Payments under clause (3) of the first paragraph under the covenant described in “—Certain Covenants—Limitations on Restricted Payments”;
 - (9) guarantees of Indebtedness permitted under the covenant described in “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
 - (10) any transaction to the extent it constitutes an Investment that is permitted and made in accordance with the provisions of the second paragraph of the covenant described under “—Certain Covenants—Transactions with Affiliates” (except transactions described in clause (2), (4), (6), (8) or (12) of such paragraph);
 - (11) Investments consisting of purchases and acquisitions of inventory, supplies, material or equipment;
 - (12) additional Investments having an aggregate fair market value, taken together with all other Investments made pursuant to this clause (12) that are at that time outstanding, not to exceed the greater of \$200.0 million and 10.00% of Total Assets (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value);
 - (13) Investments (including debt obligations and Equity Interests) received in connection with the bankruptcy or reorganization of suppliers and customers or in settlement of delinquent obligations of, or other disputes with, customers and suppliers arising in the ordinary course of business or upon the foreclosure with respect to any secured Investment or other transfer of title with respect to any secured Investment;
 - (14) Investments in joint ventures of the Company or any of its Restricted Subsidiaries in any calendar year in an aggregate amount invested, taken together with all other amounts invested pursuant to this clause (14) in such calendar year that are at that time outstanding not to exceed the greater of \$200.0 million and 10.00% of Total Assets; *provided* that in the event the Company or any of its Restricted Subsidiaries receives any dividend, distribution, interest payment, return of capital, repayment or other amount received in cash or Cash Equivalents in respect of any Investment made pursuant to this clause (14), an amount equal to such dividend, distribution, interest payment, return of capital, repayment or other amount received in cash or Cash Equivalents, not to exceed the original amount invested, shall be available for Investments under this clause (14) in the calendar year in which such return is received and thereafter;
 - (15) [Reserved];
 - (16) loans and advances to, or guarantees of Indebtedness of, officers, directors and employees not in excess of \$10.0 million outstanding at any one time, in the aggregate;
 - (17) advances, loans or extensions of trade credit in the ordinary course of business by the Company or any of its Restricted Subsidiaries;

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- (18) any Investment in any Subsidiary or any joint venture in connection with intercompany cash management arrangements or related activities arising in the ordinary course of business;
- (19) Investments consisting of purchases and acquisitions of assets or services in the ordinary course of business;
- (20) Investments made in the ordinary course of business in connection with obtaining, maintaining or renewing client contacts;
- (21) Investments in prepaid expenses, negotiable instruments held for collection and lease, utility and workers compensation, performance and similar deposits entered into as a result of the operations of the business in the ordinary course of business;
- (22) repurchases of Notes;
- (23) Investments in the ordinary course of business consisting of Uniform Commercial Code Article 3 endorsements for collection of deposit and Article 4 customary trade arrangements with customers;
- (24) Investments by the Company or any Restricted Subsidiary in a Securitization Special Purpose Entity or any Investment by a Securitization Special Purpose Entity in any other Person, in each case, as part of, pursuant to or in connection with a Qualified Securitization Transaction, including contributions of Securitization Assets to a Securitization Special Purpose Entity, the retention of interests in Securitization Assets contributed, sold, conveyed, transferred or otherwise disposed of to a Securitization Special Purpose Entity and Investments of funds held in accounts permitted or required by the arrangements governing such Qualified Securitization Transaction or any related Indebtedness;
- (25) Investments in the ordinary course of business in connection with joint marketing arrangements with another Person (including the licensing or contribution of intellectual property in connection therewith);
- (26) any Investment in a Similar Business having an aggregate fair market value, taken together with all other Investments made pursuant to this clause (26) that are at that time outstanding, not to exceed the greater of \$200.0 million and 10.00% of Total Assets (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value); and
- (27) Investments made as part of the Separation Transactions.

“Permitted Liens” means, with respect to any Person:

- (1) pledges or deposits by such Person under workmen’s compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety or appeal bonds to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent, in each case incurred in the ordinary course of business;
- (2) Liens imposed by law, such as carriers’, warehousemen’s and mechanics’ Liens, in each case for sums not yet overdue for a period of more than 30 days or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;
- (3) Liens for taxes, assessments or other governmental charges not yet overdue for a period of more than 30 days or not yet payable or subject to penalties for nonpayment or which are being contested in good faith by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person to the extent required by GAAP;
- (4) Liens to secure the performance of statutory obligations or in favor of issuers of performance, surety, bid or appeal bonds or with respect to other regulatory requirements or letters of credit issued pursuant to the request of and for the account of such Person in the ordinary course of its business;

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- (5) survey exceptions, title defects, encumbrances, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real properties or Liens incidental to the conduct of the business of such Person or to the ownership of its properties that, in all cases, were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;
- (6) Liens securing Indebtedness permitted to be incurred pursuant to clause (4), (10) or (27) of the second paragraph under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; *provided* that (a) Liens securing Indebtedness permitted to be incurred pursuant to clause (4) extend only to the assets or Capital Stock, the acquisition, lease, construction, repair, replacement or improvement of which is financed thereby and any replacements, additions and accessions thereto and any income or profits thereof and (b) Liens securing Indebtedness permitted to be incurred pursuant to clause (27) extend only to the assets of such Foreign Subsidiaries;
- (7) Liens existing on the Issue Date;
- (8) Liens on property or shares of stock of a Person at the time such Person becomes a Subsidiary; *provided, however*, such Liens are not created or incurred in connection with, or in anticipation or contemplation of, such other Person becoming such a Subsidiary; *provided further, however*, that such Liens may not extend to any other property owned by the Company or any of its Restricted Subsidiaries (other than after-acquired property of the acquired Person of the same nature as the property that is the subject of such Lien at the time such Person becomes a Subsidiary);
- (9) Liens on property at the time the Company or a Restricted Subsidiary acquired the property, including any acquisition by means of a merger or consolidation with or into the Company or any of its Restricted Subsidiaries; *provided, however*, that such Liens are not created or incurred in connection with, or in anticipation or contemplation of, such acquisition; *provided further, however*, that the Liens may not extend to any other property owned by the Company or any of its Restricted Subsidiaries (other than after-acquired property of the acquired Person of the same nature as the property that is the subject of such Lien at the time such Person becomes a Subsidiary);
- (10) Liens securing Indebtedness or other obligations of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary permitted to be incurred in accordance with the covenant described under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
- (11) Liens on specific items of inventory of other goods and proceeds of any Person securing such Person’s obligations in respect of bankers’ acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;
- (12) leases, subleases, licenses or sublicenses granted to others in the ordinary course of business that do not materially interfere with the ordinary conduct of the business of the Company or any of its Restricted Subsidiaries and that do not secure any Indebtedness;
- (13) Liens arising from Uniform Commercial Code financing statement filings (or similar filings under applicable law) regarding operating leases, consignment of goods or similar arrangements entered into by the Company and its Restricted Subsidiaries in the ordinary course of business and Liens of a collecting bank arising in the ordinary course of business under Section 4-208 (or the applicable corresponding section) of the Uniform Commercial Code in effect in the relevant jurisdiction covering only the items being collected upon;
- (14) Liens in favor of the Company or any Subsidiary Guarantor;
- (15) Liens on equipment of the Company or any of its Restricted Subsidiaries granted in the ordinary course of business to the Company’s clients;

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- (16) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancing, refunding, extension, renewal or replacement) as a whole, or in part, of any Indebtedness secured by any Lien referred to in the foregoing clause (6), (7), (8) or (9) to the extent that the Indebtedness secured by such new Lien is an amount equal to the sum of (i) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under clause (6), (7), (8) or (9) at the time the original Lien became a Permitted Lien under the Indenture, and (ii) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement; *provided, however*, that in each case such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property);
- (17) deposits made in the ordinary course of business to secure liability to insurance carriers;
- (18) other Liens securing obligations not to exceed the greater of \$300.0 million and 15.00% of Total Assets in aggregate principal amount at any one time outstanding;
- (19) Liens securing Indebtedness of any non-Guarantor Restricted Subsidiary permitted to be incurred under the Indenture, to the extent such Liens relate only to the assets and properties of a non-Guarantor Restricted Subsidiary (and for the avoidance of doubt, any Liens permitted by this clause (19) at the time of incurrence thereof shall continue to be permitted by this clause (19) if such non-Guarantor Restricted Subsidiary later provides a Guarantee of the Notes);
- (20) Liens securing judgments for the payment of money not constituting an Event of Default under clause (5) under the heading “—Events of Default and Remedies” so long as such Liens are adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment have not been finally terminated or the period within which such proceedings may be initiated has not expired;
- (21) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;
- (22) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code or any comparable or successor provision on items in the course of collection, (ii) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business, and (iii) in favor of banking institutions arising as a matter of law encumbering deposits (including the right of setoff) and which are within the general parameters customary in the banking industry;
- (23) Liens deemed to exist in connection with Investments in repurchase agreements permitted under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; *provided* that such Liens do not extend to any assets other than those that are the subject of such repurchase agreement;
- (24) [Reserved];
- (25) Liens that are contractual rights of setoff (i) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (ii) relating to pooled deposit or sweep accounts or other cash management arrangements of the Company or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Company or any of its Restricted Subsidiaries in the ordinary course of business;
- (26) Liens securing Indebtedness and other obligations to the extent permitted to be incurred under Credit Facilities, including any letter of credit facility relating thereto, incurred pursuant to clause (1) of the second paragraph under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;
- (27) any encumbrance or restriction (including put and call arrangements) with respect to capital stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

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- (28) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale or purchase of goods entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business;
- (29) Liens solely on any cash earnest money deposits made by the Company or any of its Restricted Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder;
- (30) Liens securing the Notes (other than any Additional Note) or the Guarantees thereof;
- (31) ground leases in respect of real property on which facilities owned or leased by the Company or any of its Subsidiaries are located;
- (32) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;
- (33) Liens on Capital Stock of an Unrestricted Subsidiary that secure Indebtedness or other obligations of such Unrestricted Subsidiary;
- (34) Liens on cash advances in favor of the seller of any property to be acquired in an Investment permitted under the Indenture to be applied against the purchase price for such Investment;
- (35) any interest or title of a lessor, sub-lessor, licensor or sub-licensor or secured by a lessor's, sub-lessor's, licensor's or sub-licensor's interest under leases or licenses entered into by the Company or any of the Restricted Subsidiaries in the ordinary course of business;
- (36) deposits of cash with the owner or lessor of premises leased and operated by the Company or any of its Subsidiaries in the ordinary course of business of the Company and such Subsidiary to secure the performance of the Company's or such Subsidiary's obligations under the terms of the lease for such premises;
- (37) prior to the date on which a Permitted Investment is consummated, Liens arising from any escrow arrangement pursuant to which the proceeds of any equity issuance or other funds used to finance all or a portion of such Permitted Investment are required to be held in escrow pending release to consummate such Permitted Investment;
- (38) Liens in connection with contracts for the sale of assets, including customary provisions with respect to a Restricted Subsidiary of the Company pursuant to an agreement that has been entered into for the sale or disposition of any Capital Stock or assets of such Subsidiary;
- (39) Liens on trusts, cash or Cash Equivalents or other funds in connection with the defeasance (whether by covenant or legal defeasance), discharge or redemption of Indebtedness pending consummation of a strategic transaction, or similar obligations; *provided* that such defeasance, discharge or redemption is otherwise permitted by the Indenture;
- (40) Standard Securitization Undertakings and Liens on Securitization Assets or on assets of a Securitization Special Purpose Entity, in either case incurred in connection with a Qualified Securitization Transaction or a Receivables Facility, in each case, incurred in compliance with clause (24) of the second paragraph under the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” (for the avoidance of doubt, Liens permitted under this clause (40) shall include Liens in connection with the Company's trade receivables securitization facility); and
- (41) any Liens arising from the Separation Transactions.

In the event that a Permitted Lien meets the criteria of more than one of the types of Permitted Liens (at the time of incurrence or at a later date), the Company in its sole discretion may divide, classify or from time to time reclassify all or any portion of such Permitted Lien in any manner that complies with this definition and such Permitted Lien shall be treated as having been made pursuant only to the clause or clauses of the definition of Permitted Lien to which such Permitted Lien has been classified or reclassified.

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“Person” means any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

“Preferred Stock” means any Equity Interest with preferential rights of payment of dividends or upon liquidation, dissolution, or winding up.

“Qualified Securitization Transaction” means any transaction or series of transactions entered into by the Company or any Restricted Subsidiary pursuant to which the Company or such Restricted Subsidiary contributes, sells, conveys, grants a security interest in or otherwise transfers to a Securitization Special Purpose Entity, and such Securitization Special Purpose Entity contributes, sells, conveys, grants a security interest in or otherwise transfers to one or more other Persons, any Securitization Assets (whether now existing or arising in the future) or any beneficial or participation interests therein.

“Rating Agencies” means Moody’s and S&P or if Moody’s or S&P or both shall not make a rating on the Notes publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Company which shall be substituted for Moody’s or S&P or both, as the case may be.

“Receivables Facility” means any receivables financing facilities or factoring (or reverse factoring) agreements or facilities, as amended, supplemented, modified, extended, renewed, restated or refunded from time to time, the obligations in respect of which are non-recourse (except for customary representations, warranties, covenants and indemnities made in connection with such facilities) to the Company or any of its Restricted Subsidiaries pursuant to which the Company or any of its Restricted Subsidiaries sells its accounts receivable to a Person that is not a Restricted Subsidiary. The term “Receivables Facility” does not include a Qualified Securitization Transaction.

“Restricted Investment” means an Investment other than a Permitted Investment.

“Restricted Subsidiary” means, at any time, any direct or indirect Subsidiary of the Company (including any Foreign Subsidiary and Foreign Subsidiary Holding Company) that is not then an Unrestricted Subsidiary. Upon an Unrestricted Subsidiary ceasing to be an Unrestricted Subsidiary, such Subsidiary shall be a Restricted Subsidiary.

“S&P” means Standard & Poor’s, a division of S&P Global Inc., and any successor to its rating agency business.

“Sale and Lease-Back Transaction” means any arrangement providing for the leasing by the Company or any of its Restricted Subsidiaries of any real or tangible personal property, which property has been or is to be sold or transferred by the Company or such Restricted Subsidiary to a third Person in contemplation of such leasing.

“SEC” means the U.S. Securities and Exchange Commission.

“Second Step Spin-Off” means the distribution by Ashland Global of all shares of common stock of Valvoline held by Ashland Global to the holders of Ashland Global’s common stock on May 12, 2017.

“Secured Indebtedness” means any Indebtedness of the Company or any of its Restricted Subsidiaries secured by a Lien.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

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“Securitization Assets” means (i) all receivables, inventory or royalty or other revenue streams contributed, sold, conveyed, granted or otherwise transferred as part of, pursuant to or in connection with asset securitization transactions by the Company or any Restricted Subsidiary pursuant to agreements, instruments and other documents relating to any Qualified Securitization Transaction, (ii) all assets related to such receivables, inventory or royalty or other revenue streams, including rights arising under the contracts governing or related to such receivables, inventory or royalty or other revenue streams, rights in respect of collateral and Liens securing such receivables, inventory or royalty or other revenue streams and all contracts and contractual and other rights, guarantees and other credit support in respect of such receivables, inventory or royalty or other revenue streams, any proceeds of such receivables, inventory or royalty or other revenue streams and any lockboxes or accounts in which such proceeds are deposited, spread accounts and other similar accounts (and any amounts on deposit therein) established as part of, pursuant to or in connection with a Qualified Securitization Transaction, any warranty, indemnity, repurchase, dilution and other claim, arising out of the agreements, instruments and other documents relating to such Qualified Securitization Transaction and other assets that are transferred or in respect of which security interests are granted in connection with asset securitizations involving similar assets, and (iii) all collections (including recoveries) and other proceeds of the assets described in the foregoing clauses (i) and (ii).

“Securitization Fees” means distributions or payments made directly or indirectly by means of discounts with respect to any Securitization Assets or beneficial or participation interests therein contributed, sold, conveyed, granted or otherwise transferred to, and other fees paid to a Person that is not a Restricted Subsidiary as part of, pursuant to or in connection with, any Qualified Securitization Transaction.

“Securitization Special Purpose Entity” means a Person (including, without limitation, a Restricted Subsidiary) created in connection with the transactions contemplated by a Qualified Securitization Transaction, which Person engages in no business or activities other than in connection with the acquisition, disposition and financing of Securitization Assets and any business or activities incidental or related thereto and holds no assets other than Securitization Assets and other assets incidental or related to such Qualified Securitization Transaction.

“Senior Indebtedness” means any Indebtedness of the Company or any Subsidiary Guarantor that ranks equal in right of payment with the Notes or the Guarantee of such Subsidiary Guarantor, as the case may be. For the avoidance of doubt, any Indebtedness of the Company or any Subsidiary Guarantor that is permitted to be incurred under the terms of the Indenture shall constitute Senior Indebtedness for the purposes of the Indenture unless the instrument under which such Indebtedness is incurred expressly provides that it is subordinate in right of payment to the Notes or any related Guarantee.

“Senior Secured Credit Facilities” means the Credit Agreement dated as of July 11, 2016, by and among the Company, The Bank Of Nova Scotia, as administrative agent, and the other agents and lenders party thereto, including any guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof.

“Separation” means collectively, the Ashland Chemco Internal Spin-Off, the Valvoline Reorganization, the Ashland Reorganization and the Transfer.

“Separation Transactions” means, collectively, the Separation, the Contribution, the Assumption, the IPO and the Second Step Spin-Off.

“Significant Subsidiary” means any Restricted Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the Issue Date.

“Similar Business” means any business conducted or proposed to be conducted by the Company and its Subsidiaries on the Assumption Date or any business that is similar, reasonably related, incidental or ancillary thereto or a reasonable extension, development or expansion of such business.

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“Standard Securitization Undertakings” means all representations, warranties, covenants, indemnities, performance guarantees and servicing obligations entered into by the Company or any Subsidiary (other than a Securitization Special Purpose Entity) that, taken as a whole, are customary in connection with a Qualified Securitization Transaction.

“Subordinated Indebtedness” means, with respect to the Notes,

- (1) any Indebtedness of the Company that is by its terms subordinated in right of payment to the Notes, and
- (2) any Indebtedness of any Subsidiary Guarantor that is by its terms subordinated in right of payment to the Guarantee of such entity of the Notes.

“Subsidiary” means, with respect to any Person:

- (1) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; and
- (2) any partnership, joint venture, limited liability company or similar entity of which
 - (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership or otherwise, and
 - (b) such Person or any Restricted Subsidiary of such Person is a general partner or otherwise controls such entity.

“Subsidiary Guarantor” means each Subsidiary of the Company that Guarantees the Notes in accordance with the terms of the Indenture.

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “Master Agreement”), including any such obligations or liabilities under any Master Agreement.

“Synthetic Debt” means, with respect to any Person as of any date of determination thereof, all obligations of such Person in respect of transactions entered into by such Person that are intended to function primarily as a borrowing of funds (including any minority interest transactions that function primarily as a borrowing) but are not otherwise included in the definition of “Indebtedness” or as a liability on the consolidated balance sheet of such Person and its Subsidiaries in accordance with GAAP.

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“Synthetic Lease Obligation” means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property (including Sale and Lease-Back Transactions), in each case, creating obligations that do not appear on the balance sheet of such Person but which, upon the application of any Debtor Relief Laws to such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

“Total Assets” means the total assets of the Company and the Restricted Subsidiaries on a consolidated basis, as shown on the most recent consolidated balance sheet of the Company or such other Person as may be expressly stated, as the case may be (giving *pro forma* effect to any acquisitions or dispositions of assets or properties that have been made by the Company or any of its Restricted Subsidiaries subsequent to the date of such balance sheet, including through mergers or consolidations).

“Transfer” means the transfer of certain assets and liabilities among Ashland, Ashland Global, Valvoline and their respective subsidiaries.

“Treasury Rate” means, as of any date of redemption, the yield to maturity as of such date of redemption of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 that has become publicly available at least two Business Days prior to the date of redemption (or in connection with a discharge, two Business Days prior to the date of deposit with the Trustee or paying agent, as applicable) (or, if such statistical release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the date of redemption to August 15, 2020; *provided, however*, that if the period from the date of redemption to the stated maturity date of the Notes to be redeemed is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

“Trust Indenture Act” means the Trust Indenture Act of 1939, as amended.

“Unrestricted Cash” means, at any time, all cash and Cash Equivalents held by the Company and its Restricted Subsidiaries at such time; *provided* that such cash and Cash Equivalents (a) do not appear (and would not be required to appear) as “restricted” on a consolidated balance sheet of the Company prepared in conformity with GAAP (unless such classification results solely from any Lien referred to in clause (b) below) and (b) are not controlled by or subject to any Lien or other preferential arrangement in favor of any creditor, other than Liens created under a Credit Facility.

“Unrestricted Subsidiary” means:

- (1) any Subsidiary of the Company that at the time of determination is an Unrestricted Subsidiary (as designated by the Company, as provided below); and
- (2) any Subsidiary of an Unrestricted Subsidiary.

The Company may designate any Subsidiary of the Company (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Equity Interests or Indebtedness of, or owns or holds any Lien on, any property of, the Company or any Subsidiary of the Company (other than solely any Subsidiary of the Subsidiary to be so designated); *provided* that

- (1) such designation complies with the covenant described under “—Certain Covenants—Limitation on Restricted Payments”; and
- (2) each of the Subsidiary to be so designated and its Subsidiaries has not at the time of designation, and does not thereafter, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of the Company or any Restricted Subsidiary.

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The Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that, immediately after giving effect to such designation, no Default shall have occurred and be continuing and either:

- (1) the Company could incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test described in the first paragraph under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; or
- (2) the Fixed Charge Coverage Ratio of the Company and its Restricted Subsidiaries would be greater than such ratio of the Company and its Restricted Subsidiaries immediately prior to such designation;

in each case on a *pro forma* basis taking into account such designation.

Any such designation by the Company shall be notified by the Company to the Trustee by promptly filing with the Trustee a copy of the resolution of the board of directors of the Company or any committee thereof giving effect to such designation and an Officer’s Certificate certifying that such designation complied with the foregoing provisions.

Actions taken by an Unrestricted Subsidiary will not be deemed to have been taken, directly or indirectly, by the Company or any Restricted Subsidiary.

“Valvoline Business” means Ashland’s automotive, commercial and industrial lubricant and automotive chemical business substantially as described in the Valvoline Inc. S-1 Registration Statement (#333-211720), as filed on May 31, 2016.

“Valvoline Reorganization” means the reorganization of the Valvoline Business such that Valvoline is the owner, directly or indirectly, of substantially all of the Valvoline Business.

“Voting Stock” of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

“Weighted Average Life to Maturity” means, when applied to any Indebtedness or Disqualified Stock, as the case may be, at any date, the number of years obtained by dividing:

- (1) the sum of the products of the number of years from the date of determination to the date of each successive scheduled principal payment of such Indebtedness or redemption or similar payment with respect to such Disqualified Stock multiplied by the amount of such payment; by
- (2) the sum of all such payments.

BOOK-ENTRY; DELIVERY AND FORM

Upon closing of the exchange offers, each series of the Exchange Notes will be represented by one or more fully registered global securities. Each such global security will be deposited with or on behalf of, DTC and registered in the name of DTC or a nominee thereof. Unless and until it is exchanged in whole or in part for Exchange Notes in definitive form, no global security may be transferred except as a whole by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC or by DTC or any such nominee to a successor of DTC or a nominee of such successor. Accountholders in the Euroclear Bank S.A./N.V. or Clearstream Banking, société anonyme clearance systems may hold beneficial interests in the Exchange Notes through the accounts that each of these systems maintain as participants in DTC.

So long as DTC or its nominee is the registered owner of the global securities, DTC or its nominee, as the case may be, will be the sole holder of the Exchange Notes represented thereby for all purposes under the indentures governing the Exchange Notes. Except as otherwise provided in this section, the beneficial owners of the global securities representing the Exchange Notes will not be entitled to receive physical delivery of certificated Exchange Notes and will not be considered the holders thereof for any purpose under the indentures, and the global securities representing the Exchange Notes shall not be exchangeable or transferable. Accordingly, each person owning a beneficial interest in a global security must rely on the procedures of DTC and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, in order to exercise any rights of a holder under the indentures. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. Such limits and such laws may impair the ability to transfer beneficial interests in the global securities representing the Exchange Notes.

The global securities representing the Exchange Notes are exchangeable for certificated Exchange Notes of like tenor and terms and of differing authorized denominations aggregating a like amount only if:

- DTC notifies us that it is unwilling, unable or ineligible to continue as depository for the global securities and a successor depository is not appointed by us within 90 days of such notification or of our becoming aware of DTC's ineligibility;
- there shall have occurred and be continuing an Event of Default under the indentures governing the Exchange Notes with respect to any of the global securities and the outstanding Exchange Notes of the series represented by such global securities shall have become due and payable pursuant to the relevant indenture and the trustee has requested that certificated Exchange Notes be issued; or
- we have decided to discontinue use of book-entry transfers through DTC. DTC has advised us that, under its current practices, it would notify its participants of our request, but would only withdraw beneficial interests from the global securities at the request of its participants.

Upon any such exchange, the certificated Exchange Notes shall be registered in the names of the beneficial owners of the global securities representing the Exchange Notes of the applicable series as provided by DTC's relevant participants (as identified by DTC).

The description of the operations and procedures of DTC set forth below are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to change by them from time to time. We do not take any responsibility for these operations or procedures, and investors are urged to contact the relevant system or its participants directly to discuss these matters.

The following is based on information furnished by DTC:

- DTC is a limited-purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial

Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants deposit with DTC. DTC also facilitates the settlement among participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book entry changes in participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to DTC’s system is available to securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly.

- Persons who are not participants may beneficially own the Exchange Notes held by DTC only through direct participants or indirect participants. Purchases of the Exchange Notes under DTC’s system must be made by or through direct participants, which will receive a credit for such Exchange Notes on DTC’s records. The ownership interest of each actual purchaser of each note represented by a global security (a “Beneficial Owner”) is in turn to be recorded on the direct participants’ and indirect participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct participants or indirect participants through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in the global securities representing the Exchange Notes are to be accomplished by entries made on the books of participants acting on behalf of Beneficial Owners. Beneficial Owners of the global securities representing the Exchange Notes will not receive certificated Exchange Notes representing their ownership interests therein, except in the event that use of the book-entry system for such Exchange Notes is discontinued and in certain other limited circumstances.
- Principal, premium, if any, and interest payments on the global securities representing the Exchange Notes will be made to DTC. DTC’s practice is to credit direct participants’ accounts on the applicable payment date in accordance with their respective holdings shown on DTC’s records unless DTC has reason to believe that it will not receive payment on such date. Payments by participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such participant and not of DTC, the trustee or ours, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest to DTC is our and the trustee’s responsibility, disbursement of such payments to direct participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of direct participants and indirect participants.
- DTC may discontinue providing its services as securities depository with respect to the Exchange Notes at any time by giving reasonable notice to us or the trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificated Exchange Notes are required to be printed and delivered.

The information in this section concerning DTC and DTC’s system has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy thereof. Transfers between participants in DTC will be effected in accordance with DTC’s procedures and will be settled in same-day funds.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes the material U.S. federal income tax consequences of an exchange of Restricted Notes for Exchange Notes pursuant to the exchange offers. This discussion is based upon the provisions of the Internal Revenue Code of 1986, as amended, the Treasury regulations promulgated thereunder, judicial authority and administrative interpretations, all as of the date hereof and all of which are subject to change, possibly with retroactive effect, or different interpretations. This discussion does not address all of the tax considerations that may be relevant to a particular holder in light of the holder's circumstances, or to certain categories of holders that may be subject to special rules. This summary does not consider any tax consequences arising under U.S. alternative minimum tax law, U.S. federal gift and estate tax law, the Medicare tax on certain net investment income or under the laws of any foreign, state, local or other jurisdiction. **Each holder should consult its own independent tax advisor regarding its particular situation and the U.S. federal, state, local and foreign tax consequences of exchanging the Restricted Notes for Exchange Notes and purchasing, holding and disposing of the Exchange Notes, including the consequences of any proposed change in applicable laws.**

The exchange of Restricted Notes for Exchange Notes in the exchange offers will not constitute a taxable event for U.S. federal income tax purposes. Consequently, for such purposes, a holder will not recognize gain upon receipt of an Exchange Note in exchange for a Restricted Note in the exchange offers, the holder's adjusted tax basis (and adjusted issue price) in the Exchange Note received in the exchange offers will be the same as its adjusted tax basis (and adjusted issue price) in the corresponding Restricted Note immediately before the exchange, and the holder's holding period in the Exchange Note will include its holding period in the Restricted Note.

PLAN OF DISTRIBUTION

Any broker-dealer that holds Restricted Notes that were acquired for its own account as a result of market-making activities or other trading activities (other than Restricted Notes acquired directly from us) may exchange such Restricted Notes pursuant to the exchange offers. Any such broker-dealer may, however, be deemed to be an “underwriter” within the meaning of the Securities Act and must, therefore, deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of Exchange Notes received by such broker-dealer in the exchange offers. Such prospectus delivery requirement may be satisfied by the delivery by such broker-dealer of this prospectus, as it may be amended or supplemented from time to time. We have agreed to use commercially reasonable efforts to keep the registration statement, of which this prospectus forms a part, continuously effective for a period ending on the earlier of (i) 180 days from the date on which the registration statement related to the Exchange Notes is declared effective and (ii) the date on which a broker-dealer is no longer required to deliver a prospectus in connection with market-making or other trading activities. We have also agreed to provide sufficient copies of the latest version of this prospectus to broker-dealers promptly upon request at any time during such 180-day period (or shorter as provided in the foregoing sentence) in order to facilitate such resales.

We will not receive any proceeds from any sale of Exchange Notes by broker-dealers. Exchange Notes received by broker-dealers for their own account pursuant to the exchange offers may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the Exchange Notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or at negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers that may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such Exchange Notes. Any broker-dealer that resells Exchange Notes that were received by it for its own account pursuant to the exchange offers and any broker or dealer that participates in a distribution of such Exchange Notes may be deemed to be an “underwriter” within the meaning of the Securities Act and any profit on any such resale of Exchange Notes and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

We have agreed to pay all expenses incident to the exchange offers other than commissions or concessions of any brokers or dealers and will indemnify the holders of the Exchange Notes (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

LEGAL MATTERS

Certain legal matters with respect to the validity of the Exchange Notes and related guarantees offered hereby relating to: (i) New York law and Delaware law will be passed upon for Valvoline by Shearman & Sterling LLP, New York, New York, (ii) Kentucky law will be passed upon for Valvoline by Dinsmore & Shohl LLP, Lexington, Kentucky and (iii) Oregon law will be passed upon for Valvoline by Perkins Coie LLP, Portland, Oregon.

EXPERTS

The consolidated financial statements of Valvoline Inc. and Consolidated Subsidiaries appearing in Valvoline Inc.'s Annual Report on Form 10-K for the year ended September 30, 2017 (including the schedule therein), and the effectiveness of Valvoline Inc. and Consolidated Subsidiaries' internal control over financial reporting as of September 30, 2017, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

The information agent and exchange agent for the exchange offers is:

U. S. Bank National Association

By Mail or in Person

U. S. Bank National Association
Attn: Corporate Actions
111 Fillmore Avenue
St. Paul, MN 55107-1402

By Email or Facsimile Transmission (for Eligible Institutions Only)

Email: cts.specfinance@usbank.com
Facsimile: (651) 466-7367

For Information and to Confirm by Telephone

(800) 934-6802

Any questions or requests for assistance or for additional copies of the prospectus or the letter of transmittal may be directed to the information agent at the telephone numbers set forth above.

Through and including (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.



Offers to Exchange

\$375,000,000 Outstanding 5.500% Senior Notes due 2024
for
Registered 5.500% Senior Notes due 2024

Fully and unconditionally guaranteed as to payment of principal and interest by the guarantors

and

\$400,000,000 Outstanding 4.375% Senior Notes due 2025
for
Registered 4.375% Senior Notes due 2025

Fully and unconditionally guaranteed as to payment of principal and interest by the guarantors

PROSPECTUS

The date of this prospectus is , 2017

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. Indemnification of Directors and Officers.

Valvoline

Section 271B.2-020 of the KBCA permits a corporation to eliminate or limit the personal liability of its directors for monetary damages for breach of fiduciary duty as a director; provided that such a provision does not eliminate or limit the liability of directors for (i) transactions in which the director's personal financial interest is in conflict with the financial interests of the corporation or its shareholders; (ii) acts or omissions that are not taken in good faith, that involve intentional misconduct or that are known to the director to be a violation of law; (iii) a vote for or assent to certain unlawful distributions to shareholders; or (iv) any transaction from which the director derived an improper personal benefit. Our amended and restated articles of incorporation include a provision limiting the liability of our directors for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by Kentucky law.

Section 271B.8-510 of the KBCA generally permits a corporation to indemnify an individual who is made a party to a proceeding because the individual is or was a director or officer of the corporation as long as the individual (i) conducted himself or herself in good faith; (ii) honestly believed, in the case of conduct in his or her official capacity with the corporation, that the conduct was in the best interest of the corporation or, in all other cases, was at least not opposed to its best interest; and (iii) in a criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful. Indemnification may be made against the obligation to pay a judgment, settlement, penalty, fine or reasonable expenses (including counsel fees) incurred with respect to a proceeding, except that if the proceeding was by or in the right of the corporation, indemnification may only be made against reasonable expenses. A determination that indemnification is permitted by the terms of the KBCA must first be made before a director or officer can be indemnified. Section 271B.8-510 of the KBCA specifically prohibits indemnification (i) in connection with a proceeding by or in the right of the corporation in which the director or officer is held liable to the corporation or (ii) in connection with any other proceeding where the director or officer is adjudged to have received an improper personal benefit, in each case, unless the applicable court determines that indemnification for a director's or officer's reasonable expenses incurred in the proceeding is appropriate.

In addition, Section 271B.8-520 of the KBCA provides that, unless limited by the articles of incorporation, a corporation shall indemnify any director or officer who is wholly successful in the defense of any proceeding to which the individual was a party because he or she is or was a director or officer of the corporation against reasonable expenses incurred in connection with the proceeding.

Our amended and restated articles of incorporation permits, and our amended and restated by-laws generally require, that we indemnify our directors and officers to the fullest extent permitted under Kentucky or other applicable law. The right to be indemnified, unless determined by us not to be in our best interests, includes the right of a director or officer to be paid expenses, including attorneys' fees, in advance of the final disposition of any proceeding; provided that, if required by law or by us in our discretion, we receive an undertaking to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified.

We also maintain directors' and officers' insurance, and we have entered into indemnification agreements with each of our directors and executive employment contracts with certain of our executive officers that require indemnification, subject to certain exceptions and limitations.

Delaware Subsidiary Guarantors

Section 145(a) of the DGCL provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil,

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criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful.

Section 145(b) of the DGCL provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Delaware Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Delaware Court of Chancery or such other court shall deem proper.

Section 145(c) of the DGCL provides that to the extent that a present or former director or officer of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (a) and (b) of Section 145 of the DGCL, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

Section 145(e) of the DGCL provides that expenses, including attorneys' fees, incurred by an officer or director of the corporation in defending any civil, criminal, administrative or investigative action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the corporation as authorized in Section 145 of the DGCL. Such expenses, including attorneys' fees, incurred by former directors and officers or other persons serving at the request of the corporation as directors, officers, employees or agents of another corporation, partnership, joint venture, trust or other enterprise may be so paid upon such terms and conditions, if any, as the corporation deems appropriate.

Section 145(g) of the DGCL specifically allows a Delaware corporation to purchase liability insurance on behalf of its directors and officers and to insure against potential liability of such directors and officers regardless of whether the corporation would have the power to indemnify such directors and officers under Section 145 of the DGCL.

Section 102(b)(7) of the DGCL permits a Delaware corporation to include a provision in its certificate of incorporation eliminating or limiting the personal liability of directors to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. This provision, however, may not eliminate or limit a director's liability (1) for breach of the director's duty of loyalty to the corporation or its stockholders, (2) for acts or omissions not in good faith or involving intentional misconduct or a knowing violation of law, (3) under Section 174 of the DGCL, or (4) for any transaction from which the director derived an improper personal benefit.

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Section 145 of the DGCL makes provision for the indemnification of officers and directors in terms sufficiently broad to indemnify officers and directors under certain circumstances from liabilities (including reimbursement for expenses incurred) arising under the Securities Act.

The certificate of incorporation of each Subsidiary Guarantor that is a Delaware corporation provides that such corporation will exculpate its directors and stockholders for any acts performed by such director or stockholder relating to corporation matters subject to certain good faith and gross negligence requirements. In addition, the Certificate of Incorporation and By-laws of Valvoline International Holdings Inc. provide for indemnification to the fullest extent not prohibited by law for any person who is made a party to a proceeding by reason of the fact that the person is or was a director, officer, employee or agent of the corporation.

Section 18-108 of the Delaware Limited Liability Company Act provides, in general, that a limited liability company shall have the power to indemnify subject to such standards and restrictions, if any, as are set forth in its limited liability company agreement, a limited liability company may, and shall have the power to, indemnify and hold harmless any member or manager or other person from and against any and all claims and demands whatsoever.

Under the Delaware Limited Liability Company Act, a Delaware limited liability company is permitted to exculpate and indemnify any person from and against any and all liabilities subject to such standards as may be set forth in its limited liability company agreement, provided that a limited liability company agreement may not limit or eliminate liability of a person for a bad faith violation of the implied contractual covenant of good faith and fair deal. In addition, a Delaware limited liability company may have additional indemnification obligations imposed by contracts to which it is a party.

The limited liability company agreement of each Subsidiary Guarantor that is a Delaware limited liability company provides that they will indemnify their members for any acts performed by such members relating to company matters.

Oregon Subsidiary Guarantors

Sections 391(1) and 407 of the Oregon Business Corporation Act (“OBCA”) permit a corporation to indemnify an officer or director in any proceeding to which such individual was made a party because the individual was or is an officer or director if (a) the conduct of the individual was in good faith, (b) the individual reasonably believed that the individual’s conduct was in the best interests of the corporation, or at least was not opposed to the corporation’s best interests and (c) in the case of a criminal proceeding, the individual did not have reasonable cause to believe the individual’s conduct was unlawful. The OBCA also permits a corporation to pay for or reimburse reasonable expenses incurred by an officer or director who is a party to a proceeding in advance of final disposition of the proceeding.

The Articles of Incorporation and Amended and Restated Bylaws of OCH International, Inc. provide for indemnification to the fullest extent not prohibited by law for any person who is made a party to a proceeding by reason of the fact that the person is or was a director or officer of the corporation. The foregoing also provide that the corporation may pay for or reimburse reasonable expenses incurred by any such person in advance of the final disposition of the proceeding.

Section 63.160 of the Oregon Limited Liability Company Act (the “OLLCA”) provides that the articles of organization or operating agreement may provide for indemnification of any person for any acts or omissions as a member, manager, employee or agent and may eliminate or limit liability of a member, manager, employee or agent for damages from such acts or omissions; provided, that indemnification is not permitted for any breach of the duty of loyalty, acts or omissions not in good faith which involve intentional misconduct or knowing violation of the law, or any unlawful distribution or any transaction from which the member or manager derives an improper personal benefit.

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The limited liability company agreement of each Subsidiary Guarantor that is an Oregon limited liability company provides that it will indemnify its members and make advances for expenses, to the maximum extent permitted under the OLLCA, for any acts performed by such members relating to company matters, with certain exceptions for breach of the duty of loyalty, acts or omissions not in good faith, unlawful distributions or transactions from which a member derives an improper personal benefit.

Item 21. Exhibits and Financial Statement Schedules.

(a) Exhibits

The exhibit index attached hereto is incorporated herein by reference.

(b) Financial statement schedules:

None.

Item 22. Undertakings.

(a) Each of the undersigned registrants hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
 - (ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Securities and Exchange Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;
 - (iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;
- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof;
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;
- (4) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities: the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:
 - (i) any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

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- (ii) any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
 - (iii) the portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and
 - (iv) any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.
- (5) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.
- (6) Each of the undersigned registrants hereby undertakes as follows: that prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other Items of this S-4.
- (7) Each of the undersigned registrants hereby undertakes that every prospectus (i) that is filed pursuant to the immediately preceding paragraph or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act of 1933 and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.
- (8) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of each of the registrants pursuant to the foregoing provisions, or otherwise, the registrants have been informed that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by any of the registrants of expenses incurred or paid by a director, officer or controlling person of any of the registrants in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, each of the registrants will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.
- (b) Each of the undersigned registrants hereby undertakes to respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11 or 13 of this S-4, within one business day of receipt of such request, and to send the incorporated documents by first class mail or equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.
- (c) Each of the undersigned registrants hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Lexington, Commonwealth of Kentucky, on November 17, 2017.

VALVOLINE INC.

By: /s/ MARY E. MEIXELSPERGER

Name: Mary E. Meixelsperger

Title: Chief Financial Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears immediately below constitutes and appoints each of Julie M. O'Daniel, Ian C. Lofwall and Anthony J. Cieri, and any one or more of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or to any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act), and to file the same with all exhibits thereto and other documents in connection therewith with the SEC, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
<u>/s/ SAMUEL J. MITCHELL, JR.</u> Samuel J. Mitchell	Chief Executive Officer and Director (Principal Executive Officer)	November 17, 2017
<u>/s/ MARY E. MEIXELSPERGER</u> Mary E. Meixelsperger	Chief Financial Officer (Principal Financial Officer)	November 17, 2017
<u>/s/ DAVID J. SCHEVE</u> David J. Scheve	Controller and Chief Accounting Officer (Principal Accounting Officer)	November 17, 2017
<u>/s/ STEPHEN F. KIRK</u> Stephen F. Kirk	Chairman of the Board	November 17, 2017
<u>/s/ WILLIAM A. WULFSOHN</u> William A. Wulfsohn	Director	November 17, 2017
<u>/s/ MARY J. TWINEM</u> Mary J. Twinem	Director	November 17, 2017
<u>/s/ RICHARD J. FREELAND</u> Richard J. Freeland	Director	November 17, 2017
<u>/s/ VADA O. MANAGER</u> Vada O. Manager	Director	November 17, 2017
<u>/s/ STEPHEN E. MEIXELSPERGER</u> Mary E. Meixelsperger	Director	November 17, 2017
<u>/s/ CHARLES M. SONSTEBY</u> Charles M. Sonstebly	Director	November 17, 2017

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Lexington, Commonwealth of Kentucky, on November 17, 2017.

VALVOLINE LLC

By: VALVOLINE US LLC, as sole member

By: /s/ JASON L. T HOMPSON

Name: Jason L. Thompson

Title: Vice President and Treasurer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears immediately below constitutes and appoints each of Julie M. O'Daniel, Ian C. Lofwall and Anthony J. Cieri, and any one or more of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or to any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act), and to file the same with all exhibits thereto and other documents in connection therewith with the SEC, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
<u>/s/ S AMUEL J. M ITCHELL J R .</u> Samuel J. Mitchell Jr.	President (Principal Executive Officer)	November 17, 2017
<u>/s/ J ASON L. T HOMPSON</u> Jason L. Thompson	Vice President and Treasurer (Principal Financial and Accounting Officer)	November 17, 2017

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Lexington, Commonwealth of Kentucky, on November 17, 2017.

VALVOLINE US LLC

By: VALVOLINE INC., as sole member

By: /s/ JASON L. T HOMPSON

Name: Jason L. Thompson

Title: Treasurer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears immediately below constitutes and appoints each of Julie M. O'Daniel, Ian C. Lofwall and Anthony J. Cieri, and any one or more of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or to any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act), and to file the same with all exhibits thereto and other documents in connection therewith with the SEC, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
<u>/s/ T ODD P. G RAYBEAL</u> Todd P. Graybeal	President (Principal Executive Officer)	November 17, 2017
<u>/s/ J ASON L. T HOMPSON</u> Jason L. Thompson	Vice President and Treasurer (Principal Financial and Accounting Officer)	November 17, 2017

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Lexington, Commonwealth of Kentucky, on November 17, 2017.

**VALVOLINE LICENSING AND INTELLECTUAL
PROPERTY LLC**

By: VALVOLINE US LLC, as sole member

By: /s/ JASON L. T HOMPSON

Name: Jason L. Thompson

Title: Vice President and Treasurer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears immediately below constitutes and appoints each of Julie M. O'Daniel, Ian C. Lofwall and Anthony J. Cieri, and any one or more of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or to any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act), and to file the same with all exhibits thereto and other documents in connection therewith with the SEC, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
<u>/s/ D WAYNE A. W ATTS</u> Dwayne A. Watts	President (Principal Executive Officer)	November 17, 2017
<u>/s/ J ASON L. T HOMPSON</u> Jason L. Thompson	Vice President and Treasurer (Principal Financial and Accounting Officer)	November 17, 2017

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, each of the registrants has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Lexington, Commonwealth of Kentucky, on November 17, 2017.

**VALVOLINE BRANDED FINANCE, INC.
FUNDING CORP. I**

By: /s/ L YNN P. F REEMAN

Name: Lynn P. Freeman

Title: President and Assistant Treasurer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears immediately below constitutes and appoints each of Julie M. O'Daniel, Ian C. Lofwall and Anthony J. Cieri, and any one or more of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or to any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act), and to file the same with all exhibits thereto and other documents in connection therewith with the SEC, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
<u>/s/ L YNN P. F REEMAN</u> Lynn P. Freeman	President, Assistant Treasurer and Director (Principal Executive Officer)	November 17, 2017
<u>/s/ J ASON L. T HOMPSON</u> Jason L. Thompson	Vice President, Treasurer and Director (Principal Financial and Accounting Officer)	November 17, 2017

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, each of the registrants has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Lexington, Commonwealth of Kentucky, on November 17, 2017.

**VALVOLINE INTERNATIONAL INC.
VALVOLINE INTERNATIONAL HOLDINGS INC.**

By: /s/ JASON L. T HOMPSON

Name: Jason L. Thompson

Title: Vice President and Treasurer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears immediately below constitutes and appoints each of Julie M. O'Daniel, Ian C. Lofwall and Anthony J. Cieri, and any one or more of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or to any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act), and to file the same with all exhibits thereto and other documents in connection therewith with the SEC, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
<u>/s/ C RAIG A. M OUGHLER</u> Craig A. Moughler	President and Director (Principal Executive Officer)	November 17, 2017
<u>/s/ JASON L. T HOMPSON</u> Jason L. Thompson	Vice President and Treasurer (Principal Financial and Accounting Officer)	November 17, 2017
<u>/s/ L YNN P. F REEMAN</u> Lynn P. Freeman	Vice President, Assistant Treasurer and Director	November 17, 2017

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, each of the registrants has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Lexington, Commonwealth of Kentucky, on November 17, 2017.

VIOC FUNDING, INC.
OCH INTERNATIONAL, INC.
VALVOLINE INSTANT OIL CHANGE FRANCHISING, INC.

By: /s/ JASON L. THOMPSON
Name: Jason L. Thompson
Title: Vice President and Treasurer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears immediately below constitutes and appoints each of Julie M. O'Daniel, Ian C. Lofwall and Anthony J. Cieri, and any one or more of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or to any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act), and to file the same with all exhibits thereto and other documents in connection therewith with the SEC, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
<u>/s/ ANTHONY R. PUCKETT</u> Anthony R. Puckett	President and Director (Principal Executive Officer)	November 17, 2017
<u>/s/ JASON L. THOMPSON</u> Jason L. Thompson	Vice President and Treasurer (Principal Financial and Accounting Officer)	November 17, 2017
<u>/s/ ANTHONY J. CIERI</u> Anthony J. Cieri	Director	November 17, 2017

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Lexington, Commonwealth of Kentucky, on November 17, 2017.

RELOCATION PROPERTIES MANAGEMENT LLC

By: VALVOLINE US LLC, as sole member

By: /s/ JASON L. T HOMPSON

Name: Jason L. Thompson

Title: Vice President and Treasurer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears immediately below constitutes and appoints each of Julie M. O'Daniel, Ian C. Lofwall and Anthony J. Cieri, and any one or more of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or to any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act), and to file the same with all exhibits thereto and other documents in connection therewith with the SEC, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
<u>/s/ SARA S TENSURD</u> Sara Stensrud	President (Principal Executive Officer)	November 17, 2017
<u>/s/ JASON L. T HOMPSON</u> Jason L. Thompson	Vice President and Treasurer (Principal Financial and Accounting Officer)	November 17, 2017

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, each of the registrants has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Lexington, Commonwealth of Kentucky, on November 17, 2017.

**OCHI ADVERTISING FUND LLC
OCHI HOLDINGS LLC
OCHI HOLDINGS II LLC**

By: OCHI INTERNATIONAL, INC., as sole member

By: /s/ JASON L. T HOMPSON

Name: Jason L. Thompson

Title: Vice President and Treasurer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears immediately below constitutes and appoints each of Julie M. O'Daniel, Ian C. Lofwall and Anthony J. Cieri, and any one or more of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or to any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act), and to file the same with all exhibits thereto and other documents in connection therewith with the SEC, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
<u>/s/ ANTHONY R. PUCKETT</u> Anthony R. Puckett	President (Principal Executive Officer)	November 17, 2017
<u>/s/ JASON L. T HOMPSON</u> Jason L. Thompson	Vice President and Treasurer (Principal Financial and Accounting Officer)	November 17, 2017

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
3.1	Amended and Restated Articles of Incorporation of Valvoline Inc. (incorporated by reference to Exhibit 3.1 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on November 17, 2017).
3.2	Amended and Restated By-laws of Valvoline Inc. (incorporated by reference to Exhibit 3.2 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
3.3*	Certificate of Formation of Valvoline US LLC.
3.4*	Amended and Restated Limited Liability Company Agreement of Valvoline US LLC.
3.5*	Certificate of Formation of Valvoline LLC.
3.6*	Amended and Restated Limited Liability Company Agreement of Valvoline LLC.
3.7*	Certificate of Formation of Valvoline Licensing and Intellectual Property LLC.
3.8*	Amended and Restated Limited Liability Company Agreement of Valvoline Licensing and Intellectual Property LLC.
3.9*	Certificate of Incorporation of Valvoline Branded Finance, Inc.
3.10*	By-laws of Valvoline Branded Finance, Inc.
3.11*	Certificate of Incorporation of Valvoline International Holdings Inc.
3.12*	By-laws of Valvoline International Holdings Inc.
3.13*	Certificate of Incorporation of Valvoline Instant Oil Change Franchising, Inc.
3.14*	By-laws of Valvoline Instant Oil Change Franchising, Inc.
3.15*	Certificate of Formation of Relocation Properties Management LLC.
3.16*	Amended and Restated Limited Liability Company Agreement of Relocation Properties Management LLC.
3.17*	Certificate of Incorporation of VIOC Funding, Inc.
3.18*	By-laws of VIOC Funding, Inc.
3.19*	Certificate of Incorporation of Valvoline International, Inc.
3.20*	By-laws of Valvoline International, Inc.
3.21*	Certificate of Incorporation of Funding Corp. I.
3.22*	By-laws of Funding Corp. I.
3.23*	Articles of Incorporation of OCH International, Inc.
3.24*	Amended and Restated Bylaws of OCH International, Inc.
3.25*	Articles of Organization of OCHI Advertising Fund LLC.
3.26*	Operating Agreement of OCHI Advertising Fund LLC.
3.27*	Articles of Organization of OCHI Holdings LLC.
3.28*	Operating Agreement of OCHI Holdings LLC.
3.29*	Articles of Organization of OCHI Holdings II LLC.
3.30*	Operating Agreement of OCHI Holdings II LLC.

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<u>Exhibit No.</u>	<u>Description</u>
4.1	<u>Indenture, dated as of July 20, 2016, among Valvoline (as successor to Valvoline Finco Two LLC), Ashland Inc. and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 10.10 to Valvoline's Registration Statement on Form S-1 (File No. 333-211720) filed on September 12, 2016).</u>
4.2	<u>First Supplemental Indenture, dated as of September 26, 2016, among Valvoline, the Subsidiary Guarantors and U.S. Bank National Association, as trustee, to the Indenture dated as of July 20, 2016 among Valvoline (as successor to Valvoline Finco Two LLC), Ashland Inc. and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.3 to Valvoline's Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).</u>
4.3	<u>Registration Rights Agreement, dated as of September 26, 2016, among Valvoline Inc., the Subsidiary Guarantors and Citigroup Global Markets Inc., as representative of the Initial Purchasers, in respect of the 5.500% Senior Notes due 2024 (incorporated by reference to Exhibit 4.4 to Valvoline's Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).</u>
4.4	<u>Indenture, dated as of August 8, 2017, among Valvoline Inc., the Subsidiary Guarantors and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 to Valvoline's Quarterly Report on Form 10-Q (File No. 001-37884) filed on August 8, 2017).</u>
4.5	<u>Registration Rights Agreement, dated as of August 8, 2017, among Valvoline Inc., the Subsidiary Guarantors and Citigroup Global Markets Inc., as representative of the Initial Purchasers, in respect of the 4.375% Senior Notes due 2025 (incorporated by reference to Exhibit 4.2 to Valvoline's Quarterly Report on Form 10-Q (File No. 001-37884) filed on August 8, 2017).</u>
5.1*	<u>Opinion of Shearman & Sterling LLP.</u>
5.2*	<u>Opinion of Dinsmore & Shohl LLP.</u>
5.3*	<u>Opinion of Perkins Coie LLP.</u>

The following Exhibits 10.1 through 10.22 are contracts or compensatory plans or arrangements or management contracts required to be filed as exhibits pursuant to Items 601(b)(10)(ii)(A) and 601(b)(10)(iii)(A) and (B) of Regulations S-K.

<u>Exhibit No.</u>	<u>Description</u>
10.1	<u>Valvoline Inc. 2016 Deferred Compensation Plan for Employees (incorporated by reference to Exhibit 10.1 to Valvoline's Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).</u>
10.2	<u>Valvoline Inc. 2016 Deferred Compensation Plan for Non-Employee Directors (incorporated by reference to Exhibit 10.6 to Valvoline's Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).</u>
10.3	<u>2016 Valvoline Inc. Incentive Plan (incorporated by reference to Exhibit 10.2 to Valvoline's Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).</u>
10.4	<u>Form of (Outside Directors) Restricted Stock Award Agreement pursuant to the 2016 Valvoline Inc. Incentive Plan (incorporated by reference to Exhibit 10.3 to Valvoline's Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).</u>
10.5	<u>Form of Performance Unit Award Agreement pursuant to the 2016 Valvoline Inc. Incentive Plan (incorporated by reference to Exhibit 10.5 to Valvoline's Current Report on Form 8-K (File No. 001-37884) filed on May 15, 2017).</u>

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<u>Exhibit No.</u>	<u>Description</u>
10.6	Form of Stock Appreciation Right Award Agreement pursuant to the 2016 Valvoline Inc. Incentive Plan (incorporated by reference to Exhibit 10.6 to Valvoline’s Current Report on Form 8-K (File No. 001-37884) filed on May 15, 2017).
10.7	Form of Restricted Stock Unit Award Agreement pursuant to the 2016 Valvoline Inc. Incentive Plan (incorporated by reference to Exhibit 10.7 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on November 17, 2017).
10.8	Form of Restricted Stock Unit Award Agreement (Cash-Settled) pursuant to the 2016 Valvoline Inc. Incentive Plan (incorporated by reference to Exhibit 10.8 to Valvoline’s Current Report on Form 8-K (File No. 001-37884) filed on May 15, 2017).
10.9	Form of Inducement Restricted Stock Award Agreement entered into between Mary Meixelsperger and Ashland Inc. (assumed by Valvoline on April 27, 2017) (incorporated by reference to Exhibit 4.1 to Valvoline’s Registration Statement on Form S-8 (File No. 333-218580) filed on June 7, 2017).
10.10	Valvoline Inc. Nonqualified Defined Contribution Plan (incorporated by reference to Exhibit 10.4 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
10.11	Letter Agreement between Valvoline LLC and David J. Scheve dated September 6, 2016 (incorporated by reference to Exhibit 10.5 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
10.12	Ashland Inc. Nonqualified Excess Benefit Pension Plan (formerly Ashland Inc. Nonqualified Excess Benefit Pension Plan) (incorporated by reference to Exhibit 10.12 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on November 17, 2017).
10.13	Amendment to Ashland Inc. Nonqualified Excess Benefit Pension Plan, effective as of September 1, 2016 (incorporated by reference to Exhibit 10.7 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
10.14	Amendment to Ashland Inc. Nonqualified Excess Benefit Pension Plan, effective as of September 30, 2016 (incorporated by reference to Exhibit 10.9 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
10.15	Ashland Inc. Supplemental Early Retirement Plan for Certain Employees (“SERP”) (formerly Ashland Inc. Supplemental Early Retirement Plan for Certain Employees) (incorporated by reference to Exhibit 10.15 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on November 17, 2017).
10.16	Amendment to Ashland Inc. SERP, effective as of January 1, 2015 (incorporated by reference to Exhibit 10.16 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on November 17, 2017).
10.17	Amendment to Ashland Inc. SERP, effective as of September 1, 2016 (incorporated by reference to Exhibit 10.17 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on November 17, 2017).
10.18	Amendment to Ashland Inc. SERP, effective as of September 30, 2016 (incorporated by reference to Exhibit 10.8 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
10.19	Form of CEO Change in Control Agreement (incorporated by reference to Exhibit 10.1 to Valvoline’s Current Report on Form 8-K (File No. 001-37884) filed on May 15, 2017).
10.20	Form of Executive Officer Change in Control Agreement (incorporated by reference to Exhibit 10.2 to Valvoline’s Current Report on Form 8-K (File No. 001-37884) filed on May 15, 2017).

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<u>Exhibit No.</u>	<u>Description</u>
10.21	Valvoline Change in Control Severance Plan (incorporated by reference to Exhibit 10.3 to Valvoline’s Current Report on Form 8-K (File No. 001-37884) filed on May 15, 2017).
10.22	Valvoline Severance Pay Plan (incorporated by reference to Exhibit 10.4 to Valvoline’s Current Report on Form 8-K (File No. 001-37884) filed on May 15, 2017).
10.23	Credit Agreement dated as of July 11, 2016, among Valvoline Finco One LLC, as Initial Borrower, The Bank of Nova Scotia, as Administrative Agent, Swing Line Lender and an L/C Issuer, Citibank, N.A., as Syndication Agent, and the Lenders from time to time party thereto (“Valvoline Credit Agreement”) (incorporated by reference to Exhibit 10.9 to Valvoline’s Registration Statement on Form S-1 (File No. 333-211720) filed on September 12, 2016).
10.24	Amendment No. 1, dated as of September 21, 2016, to Valvoline Credit Agreement (incorporated by reference to Exhibit 10.11 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
10.25	Transfer and Administration Agreement, dated as of November 29, 2016, among LEX Capital LLC, Valvoline LLC, and each other entity from time to time party hereto as an Originator, as Originators, Valvoline LLC, as initial Master Servicer, PNC Bank, National Association, as the Agent, a Letter of Credit Issuer, a Managing Agent and a Committed Investor, The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as a Managing Agent, an Administrator and a Committed Investor, Gotham Funding Corporation, as a Conduit Investor and an Uncommitted Investor, PNC Capital Markets, LLC, as Structuring Agent and the various investor groups, managing agents, letter of credit issuers and Administrators from time to time parties thereto (incorporated by reference to Exhibit 10.1 to Valvoline’s Current Report on Form 8-K (File No. 001-37884) filed on December 2, 2016).
10.26	Sale Agreement, dated as of November 29, 2016, by and between Valvoline LLC and LEX Capital LLC (incorporated by reference to Exhibit 10.2 to Valvoline Current Report on Form 8-K (File No. 001-37884) filed on December 2, 2016).
10.27	Parent Undertaking, dated as of November 29, 2016, by Valvoline Inc. in favor of PNC Bank National Association and the Secured Parties. (incorporated by reference to Exhibit 10.3 to Valvoline’s Current Report on Form 8-K (File No. 001-37884) filed on December 2, 2016).
10.28	Separation Agreement, dated as of September 22, 2016, by and between Ashland Global Holdings Inc. and Valvoline Inc. (incorporated by reference to Exhibit 10.15 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
10.29	Transition Services Agreement, dated as of September 22, 2016, by and between Ashland Global Holdings Inc. and Valvoline Inc. (incorporated by reference to Exhibit 10.16 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
10.30	Reverse Transition Services Agreement, dated as of September 22, 2016, by and between Valvoline Inc. and Ashland Global Holdings Inc. (incorporated by reference to Exhibit 10.17 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
10.31	Tax Matters Agreement, dated as of September 22, 2016, by and between Ashland Global Holdings Inc. and Valvoline Inc. (incorporated by reference to Exhibit 10.18 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
10.32	Employee Matters Agreement, dated as of September 22, 2016, by and between Ashland Global Holdings Inc. and Valvoline Inc. (incorporated by reference to Exhibit 10.19 to Valvoline’s Annual Report on Form 10-K (File No. 001-37884) filed on December 19, 2016).
10.33**	Supplier Terms & Conditions Agreement between Valvoline and Genuine Parts Company (NAPA oil), effective as of January 1, 2016 (incorporated by reference to Exhibit 10.7 to Valvoline’s Registration Statement on Form S-1 (File No. 333-211720) filed on August 23, 2016).

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<u>Exhibit No.</u>	<u>Description</u>
10.34**	Supplier Terms & Conditions Agreement between Valvoline and Genuine Parts Company (Valvoline Oil), effective as of January 1, 2016 (incorporated by reference to Exhibit 10.8 to Valvoline's Registration Statement on Form S-1 (File No. 333-211720) filed on September 12, 2016).
12.1	Statement regarding Computation of Ratio of Earnings to Fixed Charges (incorporated by reference to Exhibit 12.1 to Valvoline's Annual Report on Form 10-K (File No. 001-37884) filed on November 17, 2017).
21.1	List of Subsidiaries (incorporated by reference to Exhibit 21 to Valvoline's Annual Report on Form 10-K (File No. 001-37884) filed on November 17, 2017).
23.1*	Consent of Ernst & Young LLP.
23.2*	Consent of Shearman & Sterling LLP (included in Exhibit 5.1)
23.3*	Consent of Dinsmore & Shohl LLP (included in Exhibit 5.2).
23.4*	Consent of Perkins Coie LLP (included in Exhibit 5.3).
24.1*	Powers of Attorney (included on signature pages).
25.1*	Statement of Eligibility of U.S. Bank National Association on Form T-1.
25.2*	Statement of Eligibility of U.S. Bank National Association on Form T-1.
99.1*	Form of Letter of Transmittal (with accompanying IRS Form W-9 and related Guidelines).
99.2*	Form of Letter to Registered Holders and Depository Trust Company Participants.
99.3*	Form of Letter to Clients (with form of Instructions to Registered Holder and/or Depository Trust Company Participant).

* Filed herewith.

** Confidential treatment previously granted for certain portions which are omitted in the copy of the exhibit electronically filed with the SEC. The omitted information has been filed separately with the SEC pursuant to Valvoline's application for confidential treatment

CERTIFICATE OF FORMATION

of

VALVOLINE US LLC

THIS CERTIFICATE OF FORMATION, dated February 22, 2016, is filed pursuant to Section 18-201 of the Delaware Limited Liability Company Act.

1. The name of the limited liability company is Valvoline US LLC.
2. The name and address of registered office in the State of Delaware is: The Corporation Trust Company located at Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.
3. The name and address of the registered agent for service of process is: The Corporation Trust Company located at Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.
4. This Certificate of Formation shall be effective upon filing.
5. The existence of this limited liability company shall be perpetual.
6. This limited liability company is intended to be disregarded as an entity separate from its owner for US federal income tax purposes. No election shall be made pursuant to Treasury Regulation section 301.7701-3(c) for it to be classified as an association taxable as a corporation.

[Remainder of Page Intentionally Left Blank. Signature Page Follows.]

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

Valvoline US LLC

By: /s/ Peter J. Ganz

Name: Peter J. Ganz of Ashland Inc., Sole-Member

Title: Senior Vice President

A MENDED AND R ESTATED L IMITED L IABILITY C OMPANY A GREEMENT

OF

VALVOLINE US LLC

T HIS A MENDED AND R ESTATED L IMITED L IABILITY C OMPANY A GREEMENT (this “ **Agreement** ”) of Valvoline US LLC (the “ **Company** ”), effective as of September 22, 2016, 8:00 a.m. Eastern Daylight Time, is entered into by Valvoline Inc., a Kentucky corporation, as the sole member of the Company (the “ **Member** ”).

W HEREAS, Ashland Inc., a Kentucky corporation, formed the Company as a limited liability company on February 22, 2016 by the filing of a Certificate of Formation with the Secretary of State of the State of Delaware pursuant to and in accordance with the Delaware Limited Liability Company Act, as amended from time to time (the “ **Act** ”);

W HEREAS, effective as of September 21, 2016, 12:01 a.m. Eastern Daylight Time, Ashland Inc. converted to Ashland LLC, a Kentucky limited liability company (the “ **Initial Member** ”), upon the filing of a Plan of Conversion and Articles of Organization with the Secretary of State of the Commonwealth of Kentucky;

W HEREAS, effective as of September 22, 2016, 8:00 a.m. Eastern Daylight Time, the Initial Member distributed all of its membership interests in the Company to the Member;

W HEREAS, the Member agrees that the membership in and management of the Company shall be governed by the terms set forth herein.

N OW , T HEREOF, the Member agrees as follows:

1. Name: Separate Existence. The name of the Company is Valvoline US LLC. The Company shall be, and shall hold itself out to the public as, a legal entity separate and distinct from the Member and from any other entity.

2. Registered Office. The location of the registered office of the Company shall be 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, or such other location as the Member may from time to time designate.

3. Purpose of Company. The purpose of the Company is to engage in any lawful act or activity for which limited liability companies may be formed under the Act and to engage in any and all activities necessary or incidental thereto.

4. No Commingling of Funds. The Company shall not commingle the funds and other assets of the Company with those of the Member or of any other person or entity; provided, however, that funds of the Company may be transferred to the Member under a policy to commonly deposit and invest funds if records are maintained that accurately reflect which of such funds are the funds of the Company.

5. Term. The term of the Company shall continue indefinitely, unless the Company is dissolved and terminated in accordance with Section 14.

6. Contributions. Without creating any rights in favor of any third party, the Member may, from time to time, make contributions of cash, property, or services to the capital of the Company when the Member determines that additional capital is required or advisable to preserve, maintain, or expand the business of the Company, but shall have no obligation to do so.

7. Distributions. Distributions shall be made to the Member at the times and in the amounts determined by the Member.

8. Membership Interests; Certificates. The Member owns 100% of the membership interests in the Company. The Company will not issue any certificates to evidence ownership of the membership interests.

9. Management. The business, operations, and affairs of the Company shall be managed solely and exclusively by the Member. The Member shall have all rights and powers of a manager under the Act, and shall have such authority, rights, and powers in the management of the Company to do any and all other acts and things necessary, proper, convenient, or advisable to effectuate the purposes of this Agreement. Any action taken by the Member shall constitute the act of and to serve to bind the Company.

10. Officers. The Member may, from time to time, designate one or more officers with such titles as may be designated by the Member to act in the name of the Company with such authority as may be delegated to such officers by the Member (each such designated person, an “**Officer**” and collectively, the “**Officers**”). Any such Officer shall act pursuant to such delegated authority until such Officer is removed by the Member. Any action taken by an Officer designated by the Member pursuant to authority delegated to such Officer shall constitute the act of and serve to bind the Company. The Officers of the Company are:

Todd P. Graybeal	President
Nicolas H. Schmelzer	Vice President
Lynn P. Freeman	Vice President and Assistant Treasurer
Jason L. Thompson	Vice President and Treasurer
Thomas A. Gerrald II	Vice President
Laura I. Pentova	Secretary

11. Indemnification. To the fullest extent permitted under the Act, the Member and Officers shall be entitled to indemnification and advancement of expenses from the Company for and against any loss, damage, claim or expense (including attorneys’ fees) whatsoever incurred by the Member and Officers relating to or arising out of any act or omission or alleged acts or omissions (whether or not constituting negligence or gross negligence) performed or omitted by the Member and Officers on behalf of the Company; provided, however, that any indemnity under this Section shall be provided out of and to the extent of Company assets only, and neither the Member nor any other person shall have any personal liability on account thereof; provided, further that any indemnification pursuant to this Section 11 shall be subject to any policy that the ultimate parent of the Company may have regarding indemnification of any person that is an Officer by its subsidiaries and its affiliates.

12. Limitation of Liability. To the fullest extent permitted under the Act, the Member and Officers shall not be liable for any debts, obligations, or liabilities of the Company, whether arising in tort, contract, or otherwise, solely by reason of being a Member or Officer.

13. Tax Status; Income and Deductions.

(a) Tax Status. It is the intention of the Company and the Member that the Company be treated as a disregarded entity for federal and all relevant state tax purposes. All provisions of this Agreement are to be construed so as to preserve the Company's tax status as a disregarded entity.

(b) Income and Deductions. All items of income, gain, loss, deduction and credit of the Company (including, without limitation, items not subject to federal or state income tax) shall be treated for federal and all relevant state income tax purposes as items of income, gain, loss, deduction and credit of the Member.

14. Dissolution; Liquidation.

(a) The Company shall dissolve, and its affairs shall be wound up upon the first to occur of the following: (i) the written consent of the Member or (ii) any other event or circumstance giving rise to the dissolution of the Company under Section 18-801 of the Act, unless the Company's existence is continued pursuant to the Act.

(b) Upon dissolution of the Company, the Company shall immediately commence to wind up its affairs and the Member shall promptly liquidate the business of the Company. During the period of the winding up of the affairs of the Company, the rights and obligations of the Member under this Agreement shall continue.

(c) In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied as follows: (i) first, to creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof); and (ii) thereafter, to the Member.

(d) Upon the completion of the winding up of the Company, the Member shall file a Certificate of Cancellation in accordance with the Act.

15. Amendments. Amendments to this Agreement may be made only with the written consent of the Member.

16. Severability. If any provision of this Agreement shall be declared to be invalid, illegal, or unenforceable, such provision shall survive to the extent it is not so declared, and the validity, legality, and enforceability of the other provisions hereof shall not in any way be affected or impaired thereby, unless such action would substantially impair the benefits to any party of the remaining provisions of this Agreement.

17. Governing Law. This Agreement shall be governed by and shall be construed in accordance with the laws of the State of Delaware.

[*Remainder of Page Intentionally Left Blank. Signature Page Follows.*]

I N W I T N E S S W H E R E O F , the undersigned has executed this Agreement to be effective as of the date first written above.

MEMBER:

VALVOLINE INC.

By: /s/ Julie O'Daniel

Name: Julie O'Daniel

Title: General Counsel & Corporate Secretary

[*Signature Page to Amended and Restated Valvoline US LLC Agreement*]

CERTIFICATE OF FORMATION

Of

VALVOLINE LLC

THIS CERTIFICATE OF FORMATION, dated February 23, 2016, is filed pursuant to Section 18-201 of the Delaware Limited Liability Company Act.

1. The name of the limited liability company is Valvoline LLC.
2. The name and address of registered office in the State of Delaware is: The Corporation Trust Company located at Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.
3. The name and address of the registered agent for service of process is: The Corporation Trust Company located at Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.
4. This Certificate of Formation shall be effective upon filing.
5. The existence of this limited liability company shall be perpetual.
6. This limited liability company is intended to be disregarded as an entity separate from its owner for US federal income tax purposes. No election shall be made pursuant to Treasury Regulation section 301.7701-3(c) for it to be classified as an association taxable as a corporation.

[Remainder of Page Intentionally Left Blank Signature Page Follows.]

IN WITNESS WHEREOF, Valvoline US LLC, Sole Member, has executed this Certificate of Formation as of the date first written above.

Valvoline LLC

By: Valvoline US LLC
Its: Sole Member

By: /s/ Julie M. O'Daniel _____

Name: Julie M. O'Daniel

Title: Authorized Person

A MENDED AND R ESTATED L IMITED L IABILITY C OMPANY A GREEMENT

OF

VALVOLINE LLC

T HIS A MENDED AND R ESTATED L IMITED L IABILITY C OMPANY A GREEMENT (this “ **Agreement** ”) of Valvoline LLC (the “ **Company** ”), effective as of August 2, 2016, is entered into by Valvoline US LLC, a Delaware limited liability company, as the sole member of the Company (the “ **Member** ”).

W HEREAS , the Member formed the Company as a limited liability company on February 23, 2016 by the filing of a Certificate of Formation with the Secretary of State of the State of Delaware pursuant to and in accordance with the Delaware Limited Liability Company Act, as amended from time to time (the “ **Act** ”);

W HEREAS , effective July 29, 2016, the Member contributed 100% of the outstanding membership interests in the Company to Ashland Inc., a Corporation formed under the laws of the Commonwealth of Kentucky (“ **Ashland** ”);

W HEREAS , effective August 2, 2016, Ashland contributed 100% of the outstanding membership interests in the Company back to the Member.

W HEREAS , the Member agrees that the membership in and management of the Company shall be governed by the terms set forth herein.

Now, **T HEREFOR E** , the Member agrees as follows:

1. Name: Separate Existence . The name of the Company is Valvoline LLC. The Company shall be, and shall hold itself out to the public as, a legal entity separate and distinct from the Member and from any other entity.
2. Registered Office . The location of the registered office of the Company shall be 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, or such other location as the Member may from time to time designate.
3. Purpose of Company . The purpose of the Company is to engage in any lawful act or activity for which limited liability companies may be formed under the Act and to engage in any and all activities necessary or incidental thereto.
4. No Commingling of Funds . The Company shall not commingle the funds and other assets of the Company with those of the Member or of any other person or entity; provided, however, that funds of the Company may be transferred to the Member under a policy to commonly deposit and invest funds if records are maintained that accurately reflect which of such funds are the funds of the Company.
5. Term . The term of the Company shall continue indefinitely, unless the Company is dissolved and terminated in accordance with Section 14 .

6. Contributions. Without creating any rights in favor of any third party, the Member may, from time to time, make contributions of cash, property, or services to the capital of the Company when the Member determines that additional capital is required or advisable to preserve, maintain, or expand the business of the Company, but shall have no obligation to do so.

7. Distributions. Distributions shall be made to the Member at the times and in the amounts determined by the Member.

8. Membership Interests; Certificates. The Member owns 100% of the membership interests in the Company. The Company will not issue any certificates to evidence ownership of the membership interests.

9. Management. The business, operations, and affairs of the Company shall be managed solely and exclusively by the Member. The Member shall have all rights and powers of a manager under the Act, and shall have such authority, rights, and powers in the management of the Company to do any and all other acts and things necessary, proper, convenient, or advisable to effectuate the purposes of this Agreement. Any action taken by the Member shall constitute the act of and to serve to bind the Company.

10. Officers. The Member may, from time to time, designate one or more officers with such titles as may be designated by the Member to act in the name of the Company with such authority as may be delegated to such officers by the Member (each such designated person, an “**Officer**” and collectively, the “**Officers**”). Any such Officer shall act pursuant to such delegated authority until such Officer is removed by the Member. Any action taken by an Officer designated by the Member pursuant to authority delegated to such Officer shall constitute the act of and serve to bind the Company. The Officers of the Company are:

Samuel J. Mitchell, Jr.	President
Todd P. Graybeal	Vice President
Thomas A. Gerrald II	Vice President
Nicolas H. Schmelzer	Vice President
Jason L. Thompson	Vice President and Treasurer
Lynn P. Freeman	Vice President and Assistant Treasurer
Daniel J. Brown	Assistant Vice President
Laura I. Pentova	Secretary

11. Indemnification. To the fullest extent permitted under the Act, the Member and Officers shall be entitled to indemnification and advancement of expenses from the Company for and against any loss, damage, claim or expense (including attorneys’ fees) whatsoever incurred by the Member and Officers relating to or arising out of any act or omission or alleged acts or omissions (whether or not constituting negligence or gross negligence) performed or omitted by the Member and Officers on behalf of the Company; provided, however, that any indemnity under this Section shall be provided out of and to the extent of Company assets only, and neither the Member nor any other person shall have any personal liability on account thereof.

12. Limitation of Liability. To the fullest extent permitted under the Act, the Member and Officers shall not be liable for any debts, obligations, or liabilities of the Company, whether arising in tort, contract, or otherwise, solely by reason of being a Member or Officer.

13. Tax Status; Income and Deductions.

(a) Tax Status. It is the intention of the Company and the Member that the Company be treated as a disregarded entity for federal and all relevant state tax purposes. All provisions of this Agreement are to be construed so as to preserve the Company's tax status as a disregarded entity.

(b) Income and Deductions. All items of income, gain, loss, deduction and credit of the Company (including, without limitation, items not subject to federal or state income tax) shall be treated for federal and all relevant state income tax purposes as items of income, gain, loss, deduction and credit of the Member.

14. Dissolution; Liquidation.

(a) The Company shall dissolve, and its affairs shall be wound up upon the first to occur of the following: (i) the written consent of the Member or (ii) any other event or circumstance giving rise to the dissolution of the Company under Section 18-801 of the Act, unless the Company's existence is continued pursuant to the Act.

(b) Upon dissolution of the Company, the Company shall immediately commence to wind up its affairs and the Member shall promptly liquidate the business of the Company. During the period of the winding up of the affairs of the Company, the rights and obligations of the Member under this Agreement shall continue.

(c) In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied as follows: (i) first, to creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof); and (ii) thereafter, to the Member.

(d) Upon the completion of the winding up of the Company, the Member shall file a Certificate of Cancellation in accordance with the Act.

15. Amendments. Amendments to this Agreement may be made only with the written consent of the Member.

16. Severability. If any provision of this Agreement shall be declared to be invalid, illegal, or unenforceable, such provision shall survive to the extent it is not so declared, and the validity, legality, and enforceability of the other provisions hereof shall not in any way be affected or impaired thereby, unless such action would substantially impair the benefits to any party of the remaining provisions of this Agreement.

17. Governing Law. This Agreement shall be governed by and shall be construed in accordance with the laws of the State of Delaware.

[*Remainder of Page Intentionally Left Blank, Signature Page Follows.*]

I N W ITNESS W HEREOF , the undersigned has executed this Agreement to be effective as of the date first written above.

MEMBER:

Valvoline US LLC

By: /s/ Julie M. O'Daniel

Name: Julie M. O'Daniel

Title: President

CERTIFICATE OF FORMATION

of

VALVOLINE LICENSING AND INTELLECTUAL PROPERTY LLC

THIS CERTIFICATE OF FORMATION, dated March 14 , 2016, is filed pursuant to Section 18-201 of the Delaware Limited Liability Company Act.

1. The name of the limited liability company is Valvoline Licensing and Intellectual Property LLC.
2. The name and address of registered office in the State of Delaware is: The Corporation Trust Company located at Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.
3. The name and address of the registered agent for service of process is: The Corporation Trust Company located at Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.
4. This Certificate of Formation shall be effective upon filing.
5. The existence of this limited liability company shall be perpetual.
6. This limited liability company is intended to be disregarded as an entity separate from its owner for US federal income tax purposes. No election shall be made pursuant to Treasury Regulation section 301.7701-3(c) for it to be classified as an association taxable as a corporation.

[Remainder of Page Intentionally Left Blank. Signature Page Follows.]

IN WITNESS WHEREOF, Valvoline US LLC., Sole Member, has executed this Certificate of Formation as of the date first written above.

Valvoline Licensing and Intellectual Property LLC

By: Valvoline US LLC
Its: Sole Member

By: /s/ Julie M. O'Daniel

Name: Julie M. O'Daniel
Title: President

A MENDED AND R ESTATED L IMITED L IABILITY C OMPANY A GREEMENT

OF

V ALVOLINE L ICENSING AND I NTELLECTUAL P ROPERTY LLC

THIS A MENDED AND R ESTATED L IMITED L IABILITY C OMPANY A GREEMENT (this “**Agreement**”) of Valvoline Licensing and Intellectual Property LLC (the “**Company**”), effective as of August 2, 2016, is entered into by Valvoline US LLC, a Delaware limited liability company, as the sole member of the Company (the “**Member**”).

W HEREAS, The Member formed the Company as a limited liability company on March 14, 2016 by the filing of a Certificate of Formation with the Secretary of State of the State of Delaware pursuant to and in accordance with the Delaware Limited Liability Company Act, as amended from time to time (the “**Act**”);

W HEREAS, effective June 2, 2016, the Member contributed 100% of the outstanding membership interests in the Company to Ashland Licensing and Intellectual Property LLC, Limited Liability Company formed under the laws of the State of Delaware (“**ALIP**”);

W HEREAS, effective August 2, 2016, the ALIP contributed 100% of the outstanding membership interests in the Company to Ashland Inc., a Corporation formed under the laws of the Commonwealth of Kentucky (“**Ashland**”);

W HEREAS, effective August 2, 2016, Ashland contributed 100% of the outstanding membership interests in the Company back to the Member.

W HEREAS, the Member agrees that the membership in and management of the Company shall be governed by the terms set forth herein.

N OW , T H E R E F O R E, the Member agrees as follows:

1. Name; Separate Existence. The name of the Company is Valvoline Licensing and Intellectual Property LLC, The Company shall be, and shall hold itself out to the public as, a legal entity separate and distinct from the Member and from any other entity.

2. Registered Office. The location of the principal office of the Company shall be 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, or such other location as the Member may from time to time designate.

3. Purpose of Company. The purpose of the Company is to engage in any lawful act or activity for which limited liability companies may be formed under the Act and to engage in any and all activities necessary or incidental thereto.

4. No Commingling of Funds. The Company shall not commingle the funds and other assets of the Company with those of the Member or of any other person or entity; provided, however, that funds of the Company may be transferred to the Member under a policy to commonly deposit and invest funds if records are maintained that accurately reflect which of such funds are the funds of the Company.

5. Term. The term of the Company shall continue indefinitely, unless the Company is dissolved and terminated in accordance with Section 14.

6. Contributions. Without creating any rights in favor of any third party, the Member may, from time to time, make contributions of cash, property, or services to the capital of the Company when the Member determines that additional capital is required or advisable to preserve, maintain, or expand the business of the Company, but shall have no obligation to do so.

7. Distributions. Distributions shall be made to the Member at the times and in the amounts determined by the Member.

8. Membership Interests; Certificates. The Member owns 100% of the membership interests in the Company. The Company will not issue any certificates to evidence ownership of the membership interests.

9. Management. The business, operations, and affairs of the Company shall be managed solely and exclusively by the Member. The Member shall have all rights and powers of a manager under the Act, and shall have such authority, rights, and powers in the management of the Company to do any and all other acts and things necessary, proper, convenient, or advisable to effectuate the purposes of this Agreement. Any action taken by the Member shall constitute the act of and to serve to bind the Company.

10. Officers. The Member may, from time to time, designate one or more officers with such titles as may be designated by the Member to act in the name of the Company with such authority as may be delegated to such officers by the Member (each such designated person, an “**Officer**” and collectively, the “**Officers**”). Any such Officer shall act pursuant to such delegated authority until such Officer is removed by the Member. Any action taken by an Officer designated by the Member pursuant to authority delegated to such Officer shall constitute the act of and serve to bind the Company. The Officers of the Company are:

Jarred M. Tucker
Jason L. Thompson
Lynn P. Freeman
Nicolas H. Schmelzer
Sarah M. Love

President
Vice President and Treasurer
Vice President and Assistant Treasurer
Vice President
Secretary

11. Indemnification. To the fullest extent permitted under the Act, the Member and Officers shall be entitled to indemnification and advancement of expenses from the Company for and against any loss, damage, claim or expense (including attorneys' fees) whatsoever incurred by the Member and Officers relating to or arising out of any act or omission or alleged acts or omissions (whether or not constituting negligence or gross negligence) performed or omitted by the Member and Officers on behalf of the Company; provided, however, that any indemnity under this Section shall be provided out of and to the extent of Company assets only, and neither the Member nor any other person shall have any personal liability on account thereof.

12. Limitation of Liability. To the fullest extent permitted under the Act, the Member and Officers shall not be liable for any debts, obligations, or liabilities of the Company, whether arising in tort, contract, or otherwise, solely by reason of being a Member or Officer.

13. Tax Status: Income and Deductions.

(a) Tax Status. It is the intention of the Company and the Member that the Company be treated as a disregarded entity for federal and all relevant state tax purposes. All provisions of this Agreement are to be construed so as to preserve the Company's tax status as a disregarded entity.

(b) Income and Deductions. All items of income, gain, loss, deduction and credit of the Company (including, without limitation, items not subject to federal or state income tax) shall be treated for federal and all relevant state income tax purposes as items of income, gain, loss, deduction and credit of the Member.

14. Dissolution: Liquidation.

(a) The Company shall dissolve, and its affairs shall be wound up upon the first to occur of the following: (i) the written consent of the Member or (ii) any other event or circumstance giving rise to the dissolution of the Company under Section 18-801 of the Act, unless the Company's existence is continued pursuant to the Act.

(b) Upon dissolution of the Company, the Company shall immediately commence to wind up its affairs and the Member shall promptly liquidate the business of the Company. During the period of the winding up of the affairs of the Company, the rights and obligations of the Member under this Agreement shall continue.

(c) In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied as follows: (i) first, to creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof); and (ii) thereafter, to the Member.

(d) Upon the completion of the winding up of the Company, the Member shall file a Certificate of Cancellation in accordance with the Act.

15. Amendments. Amendments to this Agreement may be made only with the written consent of the Member.

16. Severability. If any provision of this Agreement shall be declared to be invalid, illegal, or unenforceable, such provision shall survive to the extent it is not so declared, and the validity, legality, and enforceability of the other provisions hereof shall not in any way be affected or impaired thereby, unless such action would substantially impair the benefits to any party of the remaining provisions of this Agreement.

17. Governing Law. This Agreement shall be governed by and shall be construed in accordance with the laws of the State of Delaware.

[Remainder of Page Intentionally Left Blank. Signature Page Follows .]

I N W ITNESS W HEREOF , the undersigned has executed this Agreement to be effective as of the date first written above.

MEMBER:

VALVOLINE US LLC

By: /s/ Julie M. O'Daniel

Name: Julie M. O'Daniel

Title: President

CERTIFICATE OF INCORPORATION
OF
ASHLAND BRANDED FINANCE, INC.

FIRST: The name of the Corporation is Ashland Branded Finance, Inc.

SECOND: The registered office of the Corporation in the State of Delaware is located at 1209 Orange Street in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company. The principal place of business of the Corporation is 2000 Ashland Drive, Russell, Kentucky 41169.

THIRD: The purposes for which it is formed are:

To engage in any lawful act or activity for which corporations may be formed under the General Corporation Law of the State of Delaware.

To carry on any lawful business and to do any and everything necessary or convenient for the accomplishment of any of the purposes thereof or the attainment of any one or all of the objects incidental thereto or for the enhancement of the value of the business or properties of the Corporation or which shall at any time appear conducive thereto or expedient; to have all the rights, powers, and privileges now or hereafter conferred by the laws of the State of Delaware upon corporations organized under its General Corporation Law or under any act amendatory thereof, supplemental thereto or substituted therefor.

FOURTH: The total number of shares of stock which the Corporation is authorized to issue is ONE THOUSAND (1,000) shares of Common Stock, without par value.

FIFTH: The holders of the Common Stock shall have the right, pro rata, according to their total respective holdings of Common Stock and on such terms and conditions as the Board of Directors may determine, to purchase or subscribe for any of the authorized but unissued shares of Common Stock which the Corporation may hereafter issue; provided, however, that any such right to purchase or subscribe for any such shares of Common Stock or any such obligation shall be nontransferable.

SIXTH: The incorporator is Teresa F. Gabbard, whose mailing address is 925 Diedrich Drive, Fiatwoods, Kentucky 41139.

SEVENTH: Subject to the limitations imposed by this Article SEVENTH, the business affairs of the Corporation shall be managed by the Board of Directors, and the Directors need not be elected by ballot unless required by the Bylaws of the Corporation.

The following powers shall not be vested in the Directors but shall be reserved in and exercised only by the Shareholders of the Corporation:

- A. The power to declare dividends.
- B. The power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or to liquidate the Corporation.
- C. The power to amend the Bylaws of the Corporation.
- D. The power to grant proxies to vote shares of stock owned or held by the Corporation.

EIGHTH: To the full extent permitted by Section 102(b)(7) of the General Corporation Law of the State of Delaware, the personal liability of a Director to the Corporation or its Stockholders for monetary damages for breach of fiduciary duty as a Director shall be eliminated; provided, however, that such personal liability shall not be eliminated hereby (i) for any breach of the Director's duty of loyalty to the Corporation or its Stockholders, (H) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the Director derived an improper personal benefit.

NINTH: In addition to the circumstances in which a Director of the Corporation is not personally liable as set forth in the preceding sentence, a Director shall not be liable to the fullest extent permitted by any applicable law, whenever enacted, or any amendment to the applicable Delaware statutes hereafter enacted that further limits the liability of a Director.

This elimination of such personal liability, and the limitations applicable thereto, are not intended to eliminate or narrow any protection otherwise available to Directors of the Corporation.

The names of the persons who are to serve as Directors of the Corporation until the first annual meeting of the Shareholders, or until their successors are elected and qualified, and their mailing addresses are as follows:

Rodney W. Morman	1000 Ashland Drive Russell, KY 41169
T. Cody Wales	1000 Ashland Drive Russell, KY 41169
Daniel B. Huffman	1000 Ashland Drive Russell, KY 41169

TENTH: Subject to the restrictions that the number of Directors shall not be less than three (3), or such larger number as from time to time may be required by the laws of the State of Delaware, the number of Directors may be fixed from time to time by the Bylaws of the Corporation.

ELEVENTH: The Corporation reserves the right to amend or repeal any provision contained in this Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware. All rights herein conferred are granted subject to this reservation.

I, THE UNDERSIGNED, being the incorporator, for the purpose of forming a corporation under the laws of the State of Delaware do make and file this Certificate of Incorporation, do certify that the facts herein stated are true and, accordingly, have hereto set my hand this 22nd day of May, 1995.

/s/ Teresa F. Gabbard

Teresa F. Gabbard

Incorporator

CERTIFICATE OF CHANGE OF LOCATION OF REGISTERED OFFICE

AND OF REGISTERED AGENT

OF

ASHLAND BRANDED FINANCE, INC.

It is hereby certified that:

1. The name of the corporation (hereinafter called the "corporation") is:

ASHLAND BRANDED FINANCE, INC.

2. The registered office of the corporation within the State of Delaware is hereby changed to 2711 Centerville Road, Suite 400, City of Wilmington 19808, County of New Castle.

3. The registered agent of the corporation within the State of Delaware is hereby changed to Corporation Service Company, the business office of which is identical with the registered office of the corporation as hereby changed.

4. The corporation has authorized the changes hereinbefore set forth by resolution of its Board of Directors.

Signed on November 16, 2005

/s/ Linda L. Foss

Name: Linda L. Foss

Title: Assistant Secretary

**STATE OF DELAWARE
CERTIFICATE OF CHANGE
OF REGISTERED AGENT AND/OR
REGISTERED OFFICE**

The Board of Directors of Ashland Branded Finance, Inc., a Delaware Corporation, on this 19 day of March, A.D. 2009, do hereby resolve and order that the location of the Registered Office of this Corporation within this State be, and the same hereby is Corporation Trust Center 1209 Orange Street, in the City of Wilmington, County of New Castle Zip Code 19801.

The name of the Registered Agent therein and in charge thereof upon whom process against this Corporation may be served, is THE CORPORATION TRUST COMPANY _____

The Corporation does hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Directors at a meeting held as herein stated.

IN WITNESS WHEREOF, said Corporation has caused this certificate to be signed by an authorized officer, the 19 day of March, A.D. 2009.

By: /s/ Tim Light
Authorized Officer
Name: Tim Light
Print or Type
Title: Vice President

**STATE OF DELAWARE
CERTIFICATE OF AMENDMENT
OF CERTIFICATE OF INCORPORATION**

The corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware does hereby certify:

FIRST : That at a meeting of the Board of Directors of ASHLAND BRANDED FINANCE, INC. resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolution setting forth the proposed amendment is as follows:

RESOLVED , that the Certificate of Incorporation of this corporation be amended by changing the Article thereof numbered “ FIRST ” so that, as amended, said Article shall be and read as follows:

VALVOLINE BRANDED FINANCE, INC.

SECOND : That thereafter, pursuant to resolution of its Board of Directors, a special meeting of the stockholders of said corporation was duly called and held upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted In favor of the amendment.

THIRD : That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF , said Corporation has caused this certificate to be signed this 2nd day of August , 2016 .

By: /s/ Issa O. Yesufu
Authorized Officer
Title: Vice President/ Secretary
Name: Issa O. Yesufu
Print or Type

ASHLAND BRANDED FINANCE, INC.

As Adopted Pursuant to Resolution Dated May 24, 1995

BY-LAWS

ARTICLE I. SHAREHOLDERS

Section 1. Annual Meeting.

The annual meeting of the shareholders of the Corporation shall be held, unless changed by resolution of the Board of Directors, on the first Monday of August of each year at such time and place as shall be designated by resolution of the Board of Directors.

Section 2. Special Meeting.

Special meetings of the shareholders, for any purpose or purposes, may be called by a majority of the Board of Directors or the President at such place, date and hour as shall be designated in the notice thereof. Notice of any special meeting shall be sent to shareholders of record not less than three (3) days prior to the meeting.

Section 3. Quorum.

At any meeting of the shareholders, the holders of at least 51% of the issued and outstanding shares of stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law, in which case such larger number shall constitute a quorum for all purposes.

Section 4. Proxies.

At any meeting of the shareholders, every shareholder entitled to vote may vote in person or by proxy authorized by an instrument in writing filed in accordance with the procedure established by the Board of Directors for the meeting.

Section 5. Action By Consent.

Any action required or permitted to be taken at any meeting of the shareholders may be taken without a meeting if all shareholders consent thereto, in writing, and such writing is filed with the minutes of the proceedings of the shareholders.

ARTICLE II. BOARD OF DIRECTORS

Section 1. Powers of Directors.

The Board of Directors may, except as otherwise required by law, exercise all such powers and do all such acts as may be exercised or done by the Corporation; however, the Board of Directors is specifically prohibited from exercising any of the following powers, all of which are reserved in and are to be exercised only by the shareholders of the Corporation:

- (a) the power to declare dividends;
- (b) the power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or liquidate the Corporation;
- (c) the power to amend the By-laws of the Corporation; and
- (d) the power to grant proxies to vote shares of stock owned or held by the Corporation.

Section 2. Number of Directors.

The number of directors who shall constitute the whole Board of Directors shall be three (3) unless otherwise specifically provided for by the majority vote of the shareholders.

Section 3. Term of Office.

Each director shall be elected by the shareholders at each annual meeting and shall serve at the will and pleasure of the shareholders until the next succeeding annual meeting or until such time as a successor is elected and takes office or until his earlier resignation or removal.

Section 4. Vacancies.

In the case of any vacancy on the Board of Directors or in case of any newly created directorship, a director to fill such vacancy or such newly created directorship for the unexpired portion of the term being filled shall be elected by the shareholders.

Section 5. Resignation.

Any director may resign at any time by giving written notice of his resignation to the President or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein, or, if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by action of the Board of Directors. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal.

A director may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the shareholders.

Section 7. Quorum.

At any meeting of the Board of Directors, a majority of the directors of the whole Board shall constitute a quorum for all purposes, except to the extent that the presence of a larger number may be required by law, in which case such larger number shall constitute a quorum for all purposes.

Section 8. Meetings.

(a) Annual Meeting. As soon as practical after each annual election of directors, the Board of Directors shall meet for the purpose of organization and the transaction of business.

(b) Regular Meetings. Regular meetings of the Board of Directors shall be held at such dates, times and places as the Board of Directors may from time to time determine.

(c) Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board or upon the written request of a majority of the Directors filed with the Secretary. Any and all business may be transacted at a special meeting which may be transacted at a regular meeting of the Board of Directors.

(d) Place of Meetings. The Board of Directors may hold its meetings at such place or places as it may from time to time by resolution determine or as shall be designated in the respective notices or waiver of notices thereof.

(e) Notice of Meetings. Notices of the annual meeting or regular meetings of the Board of Directors or any adjourned meeting need not be given. Notices of special meetings of the Board of Directors, or of any committee of the Board of Directors which has not been fixed in advance as to time and place by such committee, shall be mailed by the Secretary to each director, or member of such committee, addressed to him at his residence or usual place of business, at least two (2) days before the day on which such meeting is to be held, or shall be sent to him by telegraph, cable or other form of recorded communication or be delivered personally or by telephone not later than the day before such meeting is to be held.

(f) Telephonic Meeting. Any meeting of the Board of Directors, or any committee thereof, may be conducted through the use of any means of communication by which all persons participating in the meeting can hear and speak to each other, and the directors' participation in such a meeting shall constitute presence in person at the meeting for all purposes.

(g) Action By Consent. Any action required or permitted to be taken at any meeting of the Board of Directors, or any committee thereof, may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing, and such writing is filed with the minutes of the proceedings of the Board of Directors or the committee.

ARTICLE III. OFFICERS

Section 1. Election.

The officers of the Corporation shall be elected by the Board of Directors.

Section 2. Term of Office.

Each officer shall be elected by the Board of Directors to serve at the will and pleasure of the Board of Directors and shall hold office until his successor is elected and takes office or until his earlier resignation or removal.

Section 3. Officers of the Corporation.

The officers of the Corporation shall be as follows:

- (a) a President;
- (b) one or more Vice Presidents;
- (c) a Secretary and, as and when appointed, one or more Assistant Secretaries one or more of whom may be designated as an Assistant Secretary-Tax;
- (d) a Treasurer and, as and when appointed, one or more Assistant Treasurers one or more of whom may be designated as an Assistant Treasurer-Tax.

Subject to the provisions of any applicable law, more than one office may be held by the same person, except that the offices of President and Secretary may not be held by the same person.

Section 4. Vacancies.

In case of any vacancy of an office or in case of any newly created office, an officer to fill such vacancy or such newly created office for the unexpired portion of the term being filled shall be elected by the Board of Directors.

Section 5. Resignation.

Any officer may resign at any time by giving written notice to the President or the Secretary of the Corporation and such resignation shall take effect at the time specified therein, or if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by the action of the Board of Directors, Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal.

An officer elected by the Board of Directors may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the shareholders.

Section 7. Chairman of the Board of Directors.

At the discretion of the Board of Directors, the office of the Chairman of the Board may be established. Such Chairman of the Board shall perform all duties and functions as shall be delegated to him by the Board of Directors.

Section 8. Duties and Functions.

(a) The President. The President shall be the Chief Executive Office of the Corporation. Subject to the provisions of these By-laws and to the direction of the Board of Directors, he shall have the responsibility for the general management and control of the affairs and business of the Corporation and shall perform all duties and have all powers which are commonly incident to the office of Chief Executive or which are delegated to him by the Shareholders. The President's duties shall not, without authorization of the Shareholders or the Board of Directors, as the case may be, include the following powers:

-
- A. the power to borrow money and/or to mortgage, pledge or otherwise encumber assets of the Corporation;
 - B. the power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or liquidate the Corporation;
 - C. the power to grant proxies to vote shares of stock owned or held by the Corporation; and
 - D. the power to guarantee debts or obligations of any other person, corporation or other entity.

(b) Vice President. The Vice President or, if there be more than one, the Vice Presidents in the order determined by the Board of Directors shall in the absence or disability of the President perform the duties and exercise the powers of the President and shall have such other powers and discharge such other duties as the Board of Directors or the President shall prescribe.

(c) Secretary. The Secretary shall issue all authorized notices for and shall keep minutes of all meetings of the shareholders and the Board of Directors and shall perform such other duties as the Board of Directors or the President shall prescribe.

(d) Assistant Secretary. Except for the Assistant Secretary-Tax, the Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties as the Board of Directors or the President shall prescribe.

The authority of the Assistant Secretary-Tax shall be limited to attesting and affixing the Corporation's seal to any and all documents which the Assistant Treasurer-Tax is, pursuant to part (f) of this Section 8 of Article III, authorized to prepare, execute and file on behalf of the Corporation.

(e) Treasurer. The Treasurer shall have the custody of all moneys and securities of the Corporation and shall keep regular books of account. He shall make such disbursements of the funds of the Corporation as are proper and shall render from time to time an account of all such transactions and of the financial condition of the Corporation and shall perform such other duties as the Board of Directors shall prescribe.

(f) Assistant Treasurer. Except for the Assistant Treasurer-Tax, the Assistant Treasurer or, if there be more than one, the Assistant Treasurers in the order determined by the Board of Directors shall have such powers and discharge such duties as the Board of Directors or the President shall prescribe.

The authority of the Assistant Treasurer-Tax shall be limited to preparing, executing and filing with the United States and any political subdivision thereof, and with any other country and the political subdivisions thereof, all of the following documents: (i) income, franchise, excise, sales, use, license, property, business and occupation tax returns and reports of any kind or description; (ii) initial, periodic and annual returns and reports of any kind or description dealing with corporate status or qualification or licensing to do business and all similar reports; and (iii) returns and reports relating to unclaimed, abandoned or escheated property.

ARTICLE IV. COMMITTEES

Section 1. Executive Committee.

(a) Designation. The Board of Directors may, by resolution passed by majority of the whole Board of Directors, designate an Executive Committee to consist of two or more directors.

(b) Function and Power. The Executive Committee, subject to applicable law and to the extent provided in the resolution establishing such committee, shall possess and may exercise during the intervals between meetings of the Board of Directors the powers of the Board of Directors in the management of the business and affairs of the Corporation.

(c) Vacancies. In the case of any vacancies on the Executive Committee or in the case of any newly created position thereon, a director to fill such vacancy or newly created position shall be elected by the Board of Directors.

(d) Removals. A member of the Executive Committee may be removed either with or without cause at any time by a majority vote of the Board of Directors.

(e) Meetings. The Executive Committee shall meet as often as may be determined necessary and expedient at such times and places as shall be determined by the Executive Committee.

(f) Quorum. At any meeting of the Executive Committee, a majority of the members shall constitute a quorum for all purposes.

Section 2. Other Committees

The Board of Directors may, by resolution passed by a majority of the whole Board, designate other committees, each committee to consist of two or more directors and to have such duties and functions as shall be provided in such resolution. The Board of Directors shall have the power to change the members of any such committee at any time, to fill vacancies and to discharge any such committee, either with or without cause, at any time.

ARTICLE V. STOCK CERTIFICATES

Section 1. Issuance .

Each shareholder shall be entitled to a certificate signed by the President or any other duly appointed officer of the Corporation, certifying the number of shares owned by him.

Section 2. Transfer .

Transfers of stock shall be made only upon the transfer books of the Corporation by the transfer agents designated to transfer shares of stock of the Corporation.

ARTICLE VI. BOOKS, ACCOUNTS AND RECORDS

The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its shareholders, the Board of Directors and committees of the Board of Directors. All books, accounts, and records of the Corporation, including but not limited to stock ledgers and minute books shall be located where the books, accounts, and records of any shareholder of the Corporation which owns 51% or more of the issued and outstanding stock of this Corporation are kept or at such place as shall be designated by the majority shareholder.

ARTICLE VII. SEAL

The Board of Directors may by resolution provide for a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary.

ARTICLE VIII. FISCAL YEAR

The fiscal year of the Corporation shall end on the 30th day of September in each year.

ARTICLE IX. AMENDMENTS

These By-laws may be amended or repealed by a majority vote of shareholders unless otherwise specified by law.

CERTIFICATE OF INCORPORATION**OF****VALVOLINE INTERNATIONAL HOLDINGS INC.**

FIRST: The name of the corporation is Valvoline International Holdings Inc.

SECOND: The address of its registered office in the State of Delaware is located at 1209 Orange Street in the City of Wilmington, County of New Castle, Delaware, 19801. The name of its registered agent at such address is Corporation Trust Company.

THIRD: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be formed under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of stock which the corporation is authorized to issue is ONE THOUSAND (1,000) shares of common stock having a par value of one cent (\$0.01) per share.

FIFTH: The incorporator is Julie M. O'Daniel whose mailing address is 50 E. RiverCenter Blvd., Covington, Kentucky, 41011.

SIXTH: The business affairs of the corporation shall be managed by the board of directors, and the directors need not be elected by ballot unless required by the By-laws of the corporation.

SEVENTH: The board of directors is expressly authorized to adopt, amend or repeal the By-laws or adopt new By-laws without any action on the part of the stockholders.

EIGHTH: To the full extent permitted by applicable law, including Section 102(b)(7) of the General Corporation Law of the State of Delaware, a director shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director; provided, however, that such personal liability shall not be eliminated hereby: (i) for any breach of the director's duty of loyalty to the corporation or its stockholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) under Section 174 of the General Corporation Law of the State of Delaware; or (iv) for any transaction from which the director derived an improper personal benefit.

In addition to the circumstances in which a director of the corporation is not personally liable as set forth in the preceding sentence, a director shall not be liable to the fullest extent permitted by any applicable law, whenever enacted, or any amendment to the applicable Delaware statutes hereafter enacted, that further limits the liability of a Director.

This elimination of such personal liability, and the limitations applicable thereto, are not intended to eliminate or narrow any protection otherwise available to directors of the corporation.

No amendment to, modification of or repeal of this Article Eighth shall apply to or have any effect on the liability or alleged liability of any director of the corporation for or with respect to any acts or omissions of such director occurring prior to such amendment.

NINTH: The corporation shall indemnify, advance expenses, and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (a “Covered Person”) who was or is a party or is threatened to be made a party or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including any appeals thereof, a “Proceeding”), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director, officer, employee or agent of the corporation or, while a director, officer, employee or agent of the corporation, is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability, loss suffered and cost and expenses (including attorneys’ fees) reasonably incurred by such Covered Person.

Notwithstanding the above, the corporation shall not indemnify or agree to indemnify any person against any liability or expenses he or she may incur on account of his or her activities which were at the time taken known or believed by him or her to be clearly in conflict with the best interest of the corporation.

Expenses incurred by a director or officer of the corporation in defending a Proceeding shall, at the request of such director or officer, and subject to authorization by the Board, be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director or officer to repay such amount, unless it shall ultimately be determined that he or she is entitled to indemnification from the corporation under this Article Ninth or otherwise.

Any amendment, repeal or modification of this Article Ninth shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

If this Article Ninth or any portion hereof shall be invalidated on any ground by any court or agency of competent jurisdiction, then the corporation shall nevertheless indemnify each Covered Person to the full extent permitted by the portion of this Article that is not invalidated and also to the full extent permitted or required by other applicable law.

The entitlements to advancement of expenses and/or indemnification provided for in this Article Ninth are nonexclusive and are separate from any similar rights provided under any law, including, but not limited to, Section 145 of the General Corporation Law of the State of Delaware, agreement or otherwise.

TENTH: the corporation reserves the right to amend or repeal any provision contained in this certificate of incorporation in the manner prescribed by the law of the State of Delaware. All rights herein conferred are granted subject to this reservation.

I, THE UNDERSIGNED, being the incorporator, for the purpose of forming a corporation under the laws of the State: of Delaware do make and file this Certificate of Incorporation, do certify that the facts herein stated are true and, accordingly, have hereto set my hand this 8th day of July 2016.

/s/ Julie M. O'Daniel

Julie M. O'Daniel

Incorporator

VALVOLINE INTERNATIONAL HOLDINGS INC.

BY-LAWS

ARTICLE I. OFFICES

Section 1. Registered Office.

The address of the registered office of Valvoline International Holdings Inc. (hereinafter called the “Corporation”) in the State of Delaware shall be at 1209 Orange Street, in the City of Wilmington, County of New Castle, Delaware, 19801.

Section 2. Offices.

The Corporation may have other offices, both within and without the State of Delaware, as the board of directors of the Corporation (the “Board of Directors”) from time to time shall determine or the business of the Corporation may require.

ARTICLE II. MEETINGS OF THE STOCKHOLDERS

Section 1. Place of Meetings.

All meetings of the stockholders shall be held at such place, if any, either within or without the State of Delaware, as shall be designated from time to time by resolution of the Board of Directors and stated in the notice of meeting.

Section 2. Annual Meeting.

The annual meeting of the stockholders of the Corporation for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at such date, time and place, if any, as shall be determined by the Board of Directors and stated in the notice of the meeting.

Section 3. Special Meeting.

Special meetings of the stockholders, for any purpose or purposes, may be called by a majority of the Board of Directors or the President at such place, date and hour as shall be designated in the notice thereof.

Section 4. Notice of Meeting.

Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given to stockholder not less than ten (10) nor more than sixty (60) days before the meeting. The notice shall state the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

Section 5. Quorum.

At any meeting of the stockholders, the holders of a majority of the issued and outstanding shares of stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by applicable law, in which case such larger number shall constitute a quorum for all purposes.

Section 6. Voting.

Each stockholder shall be entitled to one (1) vote for each share of stock held by such stockholder. Unless otherwise required by law or the Corporation's Certificate of Incorporation, the election of directors shall be decided by a plurality of the votes cast at a

meeting of the stockholders by the holders of stock entitled to vote in the election. Unless otherwise required by law, the Certificate of Incorporation or these By-laws, any matter, other than the election of directors, brought before any meeting of stockholders shall be decided by the affirmative vote of the majority of shares present in person or represented by proxy at the meeting and entitled to vote on the matter.

Section 7. Proxies.

At any meeting of the stockholders, every stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing filed in accordance with the procedure established by the Board of Directors for the meeting.

Section 8. Action By Consent.

Any action required or permitted to be taken at any meeting of the stockholders may be taken without a meeting if all stockholders consent thereto, in writing, and such writing is filed with the minutes of the proceedings of the stockholders.

ARTICLE III. BOARD OF DIRECTORS

Section 1. Powers of Directors.

The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may adopt such rules and procedures, not inconsistent with the Certificate of Incorporation, these By-laws or applicable law, as it may deem proper for the conduct of its meetings and the management of the Corporation.

Section 2. Number of Directors.

The Board of Directors shall consist of [*] members, unless otherwise specifically provided for by the majority vote of the stockholders.

Section 3. Term of Office.

Each director shall be elected by the stockholders at each annual meeting and shall serve until such time as a successor is elected and takes office or until his or her earlier resignation or removal.

Section 4. Vacancies.

In the case of any vacancy on the Board of Directors or in case of any newly created directorship, such vacancy shall be filled by the Board of Directors or, in the case where there is only one (1) director remaining, the sole remaining director. If there is no director remaining in office, then the stockholders may fill the vacancies.

Section 5. Resignation.

Any director may resign at any time by giving written notice of his or her resignation to the President or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein, or, if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by action of the Board of Directors. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal.

A director may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the stockholders.

Section 7. Quorum.

At any meeting of the Board of Directors, a majority of the directors of the whole Board shall constitute a quorum for all purposes, except to the extent that the presence of a larger number may be required by applicable law, in which case such larger number shall constitute a quorum for all purposes.

Section 8. Meetings.

(a) Annual Meeting. As soon as practical after each annual election of directors, the Board of Directors shall meet for the purpose of organization and the transaction of business.

(b) Regular Meetings. Regular meetings of the Board of Directors shall be held at such dates, times and places as the Board of Directors may from time to time determine.

(c) Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board or upon the written request of a majority of the directors filed with the Secretary. Any and all business may be transacted at a special meeting which may be transacted at a regular meeting of the Board of Directors.

(d) Place of Meetings. The Board of Directors may hold its meetings at such place or places, either within or without the State of Delaware, as it may from time to time by resolution determine or as shall be designated in the respective notices or waiver of notices thereof.

(e) Notice of Meetings. Notices of the annual meeting or regular meetings of the Board of Directors or any adjourned meeting need not be given. Notices of special meetings of the Board of Directors, or of any committee of the Board of Directors which has not been fixed in advance as to time and place by such committee, shall be mailed by the Secretary to each director, or member of such committee, addressed to him or her at his or her residence or usual place of business, at least two (2) days before the day on which such meeting is to be held, or shall be sent to him or her by telegraph, cable or other form of recorded communication or be delivered personally or by telephone not later than the day before such meeting is to be held.

(f) Electronic Meeting. Any meeting of the Board of Directors, or any committee thereof, may be conducted through the use of any means of communication by which all persons participating in the meeting can hear and speak to each other, and the directors' participation in such a meeting shall constitute presence in person at the meeting for all purposes.

(g) Action By Consent. Any action required or permitted to be taken at any meeting of the Board of Directors, or any committee thereof, may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing, and such writing is filed with the minutes of the proceedings of the Board of Directors or the committee.

ARTICLE IV. OFFICERS

Section 1. Election.

The officers of the Corporation shall be elected by the Board of Directors.

Section 2. Term of Office.

Each officer shall be elected by the Board of Directors to serve at the will and pleasure of the Board of Directors and shall hold office until his or her successor is elected and takes office or until his or her earlier resignation or removal.

Section 3. Officers of the Corporation.

The officers of the Corporation shall be as follows:

- (a) a President;
- (b) one or more Vice Presidents;
- (c) a Secretary and, as and when appointed, one or more Assistant Secretaries one of which may be designated as an Assistant Secretary-Tax;

(d) a Treasurer and, as and when appointed, one or more Assistant Treasurers one of which may be designated as an Assistant Treasurer-Tax; and

(e) such other offices as the Board of Directors may from time to time determine.

Subject to the provisions of any applicable law, more than one office may be held by the same person, except that the offices of President and Secretary may not be held by the same person.

Section 4. Vacancies .

In case of any vacancy of an office or in case of any newly created office, an officer to fill such vacancy or such newly created office for the unexpired portion of the term being filled shall be elected by the Board of Directors.

Section 5. Resignation .

Any officer may resign at any time by giving written notice to the President or the Secretary of the Corporation and such resignation shall take effect at the time specified therein, or if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by the action of the Board of Directors. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal .

An officer elected by the Board of Directors may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the stockholders.

Section 8. Duties and Functions.

(a) The President. In addition to such powers, authority and duties as may be designated to him or her from time to time by the Board of Directors, the President shall have general supervision over the business of the Corporation, shall be the principal executive officer of the Corporation, shall have and exercise all powers, duties and authority incident to the office of President and shall, subject to the direction and control of the Board of Directors, supervise, direct and control the management of the Corporation.

(b) Vice Presidents. The Vice Presidents will have such powers, authority and duties as may be delegated or assigned to them from time to time by the Board of Directors or the President.

(c) Secretary. The Secretary shall issue all authorized notices for and shall attend and keep minutes of all meetings of the stockholders and the Board of Directors and shall perform such other duties as the Board of Directors or the President shall prescribe.

(d) Assistant Secretary. Except for the Assistant Secretary-Tax, the Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties as the Board of Directors or the President shall prescribe.

The authority of the Assistant Secretary-Tax shall be limited to attesting and affixing the Corporation's seal to any and all documents which the Assistant Treasurer-Tax is, pursuant to part (f) of this Section 8 of Article IV, authorized to prepare, execute and file on behalf of the Corporation.

(e) Treasurer. The Treasurer shall have the custody of all moneys and securities of the Corporation and shall keep regular books of account. He or she shall make such disbursements of the funds of the Corporation as are proper and shall render from time to time an account of all such transactions and of the financial condition of the Corporation and shall perform such other duties as the Board of Directors shall prescribe.

(f) Assistant Treasurer. Except for the Assistant Treasurer-Tax, the Assistant Treasurer or, if there be more than one, the Assistant Treasurers in the order determined by the Board of Directors shall have such powers and discharge such duties as the Board of Directors or the President shall prescribe.

The authority of the Assistant Treasurer-Tax shall be limited to preparing, executing and filing with the United States and any political subdivision thereof, and with any other country and the political subdivisions thereof, all of the following documents: (i) income, franchise, excise, sales, use, license, property, business and occupation tax returns and reports of any kind or description; (ii) initial, periodic and annual returns and reports of any kind or description dealing with corporate status or qualification or licensing to do business and all similar reports; and (iii) returns and reports relating to unclaimed, abandoned or escheated property.

ARTICLE V. COMMITTEES

Section 1. Executive Committee.

(a) Designation. The Board of Directors may, by resolution passed by majority of the whole Board of Directors, designate an Executive Committee to consist of two or more directors.

(b) Function and Power. The Executive Committee, subject to applicable law and to the extent provided in the resolution establishing such committee, shall possess and may exercise during the intervals between meetings of the Board of Directors the powers of the Board of Directors in the management of the business and affairs of the Corporation.

(c) Vacancies. In the case of any vacancies on the Executive Committee or in the case of any newly created position thereon, a director to fill such vacancy or newly created position shall be elected by the Board of Directors.

(d) Removals. A member of the Executive Committee may be removed either with or without cause at any time by a majority vote of the Board of Directors.

(e) Meetings. The Executive Committee shall meet as often as may be determined necessary and expedient at such times and places as shall be determined by the Executive Committee.

(f) Quorum. At any meeting of the Executive Committee, a majority of the members shall constitute a quorum for all purposes.

Section 2. Other Committees.

The Board of Directors may, by resolution passed by a majority of the whole Board, designate other committees, each committee to consist of two or more directors and to have such duties and functions as shall be provided in such resolution. The Board of Directors shall have the power to change the members of any such committee at any time, to fill vacancies and to discharge any such committee, either with or without cause, at any time.

ARTICLE VI. STOCK CERTIFICATES

Section 1. Issuance.

Each stockholder shall be entitled to a certificate signed by the President or any other duly appointed officer of the Corporation, certifying the number of shares owned by him or her.

Section 2. Transfer.

Transfers of stock shall be made only upon the transfer books of the Corporation by the transfer agents designated to transfer shares of stock of the Corporation.

Section 3. Lost, Stolen or Destroyed Certificates.

The Board of Directors may direct a new certificate or uncertificated shares to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed upon the making of an affidavit of that fact by the owner of the allegedly lost, stolen or destroyed certificate. When authorizing such issue of a new certificate or uncertificated shares, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of the lost, stolen or destroyed certificate, or the owner's legal representative to give the Corporation a bond sufficient to indemnify it against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed or the issuance of such new certificate or uncertificated shares.

ARTICLE VII. BOOKS, ACCOUNTS AND RECORDS

The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its stockholders, the Board of Directors and committees of the Board of Directors. All books, accounts and records of the Corporation, including, but not limited to stock ledgers and minute books, shall be located where the books, accounts and records of any stockholder of the Corporation which own a majority of the issued and outstanding stock of this Corporation are kept or at such place as shall be designated by the majority stockholder. Such books and records of account may be maintained on any information storage device or method.

ARTICLE VIII. SEAL

The Board of Directors may, by resolution, provide for a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary.

ARTICLE IX. FISCAL YEAR

The fiscal year of the Corporation shall end on the 30th day of September in each year.

ARTICLE X. INDEMNIFICATION

Section 1.

Every person who is or was a director, officer or employee of the Corporation or of any other corporation or entity in which he served as a director, officer or employee at the request of the Corporation (hereinafter collectively referred to as a “Covered Person”), shall, except as otherwise provided in Section 4, be indemnified by the Corporation against any and all reasonable costs and expenses (including but not limited to reasonable attorney’s fees) and any liabilities (including but not limited to judgments, fines, penalties and reasonable settlements) that may be paid or imposed against him or her in connection with or resulting from any pending, threatened or completed claim, action, suit or proceeding (whether brought by or in the right of the Corporation or such other corporation or entity or otherwise), and whether civil, criminal, administrative, investigative or legislative (including any appeal relating thereto), in which he may be involved, as a party or witness or otherwise, by reason of his or her being or having been a director, officer or employee of the Corporation or a director, officer or employee of such other corporation or entity, or by reason of any action taken or not taken in such capacity, whether or not he continues to be such at the time such liability or expense shall have been paid or imposed, if the Covered Person:

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- (a) has been successful on the merits or otherwise with respect to such claim, action, suit or proceeding; or
 - (b) acted in good faith, in what he reasonably believed to be the best interests of the Corporation or such other corporation or entity, as the case may be, and in addition, in any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

As used in this Article X, the terms “expense” and “liability” shall include, but shall not be limited to, counsel fees and disbursements and amounts of judgements, fines or penalties against, and reasonable amounts paid in settlement by, a Covered Person. The termination of any claim, action, suit or proceeding by judgment, settlement (whether with or without court approval), conviction or upon a plea of guilty or nolo contendere, or its equivalent, shall not create a presumption that a Covered Person did not meet the standard of conduct set forth in paragraph (b) of this Section 1.

Section 2.

Indemnification under paragraph (b) of Section 1 shall be made unless it is determined by the stockholder of the Corporation that the Covered Person has not met the standard of conduct set forth in paragraph (b) of Section 1.

Section 3.

Expenses incurred with respect to any claim, action, suit or proceeding of the character described in Section 1 of this Article X (i) shall be advanced by the Corporation prior to the final disposition thereof to any director or officer; and (ii) may be advanced by the

Corporation prior to the final disposition thereof to any employee or agent of the Corporation; provided that such Covered Persons shall be obligated to repay such advances if it is ultimately determined that he or she is not entitled to indemnification. As a condition to advancing expenses hereunder, the Corporation may require the Covered Person to sign a written instrument acknowledging his or her obligation to repay any advances hereunder if it is ultimately determined he is not entitled to indemnity.

Section 4.

The indemnification provided in this Article X shall be subject to the following exclusion: no person shall be indemnified in respect of any claim, action, suit or proceeding initiated by such person or his or her personal or legal representative, or which involved the voluntary solicitation or intervention of such person or his or her personal or legal representative (other than an action to enforce indemnification rights hereunder or an action initiated with the prior approval of the stockholder(s) of the Corporation).

Section 5.

The rights of indemnification provided by this Article X shall be in addition to any other rights to which any Covered Person may otherwise be entitled to by contract, vote of stockholders or disinterested directors, other corporate action or otherwise; and in the event of any such person's death, such rights shall be extended to his or her heirs and legal representatives.

ARTICLE XI. AMENDMENTS

These By-laws may be amended, altered, changed, adopted and repealed or new By-laws adopted by the Board of Directors.

ARTICLE XII. FORUM

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for: (i) any derivative action or proceeding brought on behalf of the Corporation; (ii) any action asserting a claim for breach of a fiduciary duty owed by any director, officer, employee or agent of the Corporation to the Corporation or the Corporation's stockholders; (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, the Certificate of Incorporation or the By-laws; or (iv) any action asserting a claim governed by the internal affairs doctrine, in each case subject to said Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein.

CERTIFICATE OF INCORPORATION

OF

VALVOLINE INSTANT OIL CHANGE FRANCHISING, INC.

FIRST: The name of the Corporation is Valvoline Instant Oil Change Franchising, Inc.

SECOND: The registered office of the Corporation in the State of Delaware is located at 1209 Orange Street in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company. The principal place of business of the Corporation is Commerce National Bank Building, 301 East Main Street, Lexington, Kentucky 40507.

THIRD: The purposes for which it is formed are:

To engage in any lawful act or activity for which corporations may be formed under the General Corporation Law of the State of Delaware.

To carry on any lawful business and to do any and everything necessary or convenient for the accomplishment of any of the purposes thereof or the attainment of any one or all of the objects incidental thereto or for the enhancement of the value of the business or properties of the Corporation or which shall at any time appear conducive thereto or expedient; to have all the rights, powers, and privileges now or hereafter conferred by the laws of the State of Delaware upon corporations organized under its General Corporation Law or under any act amendatory thereof, supplemental thereto or substituted therefor.

FOURTH: The total number of shares of stock which the Corporation is authorized to issue is ONE THOUSAND (1,000) shares of Common Stock, without par value.

FIFTH: The holders of the Common Stock shall have the right, pro rata, according to their total respective holdings of Common Stock and on such terms and conditions as the Board of Directors may determine, to purchase or subscribe for any of the authorized but unissued shares of Common Stock which the Corporation may hereafter issue; provided, however, that any such right to purchase or subscribe for any such shares of Common Stock or any such obligation shall be nontransferable.

SIXTH: The Incorporator is Teresa F. Gabbard, whose mailing address is 925 Diedrich Drive, Flatwoods, Kentucky 41139.

SEVENTH: Subject to the limitations imposed by this Article SEVENTH, the business affairs of the Corporation shall be managed by the Board of Directors, and the Directors need not be elected by ballot unless required by the Bylaws of the Corporation.

The following powers shall not be vested In the Directors but shall be reserved in and exercised only by the Shareholders of the Corporation:

A. The power to declare dividends.

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- B. The power to borrow money and/or to mortgage, pledge or otherwise encumber assets of the Corporation.
 - C. The power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or to liquidate the Corporation.
 - D. The power to amend the Bylaws of the Corporation.
 - E. The power to grant proxies to vote shares of stock owned or held by the Corporation.
 - F. The power to guarantee debts or obligations of any other person, corporation or other entity.

To the full extent permitted by Section 102(b)(7) of the General Corporation Law of the State of Delaware, the personal liability of a Director to the Corporation or its Stockholders for monetary damages for breach of fiduciary duty as a Director shall be eliminated; provided, however, that such personal liability shall not be eliminated hereby (i) for any breach of the Director's duty of loyalty to the Corporation or its Stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the Director derived an improper personal benefit.

In addition to the circumstances in which a Director of the Corporation is not personally liable as set forth in the preceding sentence, a Director shall not be liable to the fullest extent permitted by any applicable law, whenever enacted, or any amendment to the applicable Delaware statutes hereafter enacted that further limits the liability of a Director.

This elimination of such personal liability, and the limitations applicable thereto, are not intended to eliminate or narrow any protection otherwise available to Directors of the Corporation.

EIGHTH: The names of the persons who are to serve as Directors of the Corporation until the first annual meeting of the Shareholders, or until their successors are elected and qualified, and their mailing addresses are as follows:

John D. Barr	3499 Dabney Drive Lexington, Kentucky 40509
Ben F. Lowe	3499 Dabney Drive Lexington, Kentucky 40509
Robert M. Harbison	3499 Dabney Drive Lexington, Kentucky 40509

NINTH: Subject to the restrictions that the number of Directors shall not be less than three (3), or such larger number as from time to time may be required by the laws of the State of Delaware, the number of Directors may be fixed from time to time by the Bylaws of the Corporation.

TENTH: The Corporation reserves the right to amend or repeal any provision contained in this Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware. All rights herein conferred are granted subject to this reservation.

I, THE UNDERSIGNED, being the incorporator, for the purpose of forming a corporation under the laws of the State of Delaware do make and file this Certificate of Incorporation, do certify that the facts herein stated are true and, accordingly, have hereto set my hand this 29th day of July A.D., 1988.

/s/ Teresa F. Gabbard

Teresa F. Gabbard
Incorporator

CERTIFICATE OF CHANGE OF LOCATION OF REGISTERED OFFICE

AND OF REGISTERED AGENT

OF

VALVOLINE INSTANT OIL CHANGE FRANCHISING, INC.

It is hereby certified that:

1. The name of the corporation (hereinafter called the "corporation") is:

VALVOLINE INSTANT OIL CHANGE FRANCHISING, INC.

2. The registered office of the corporation within the State of Delaware is hereby changed to 2711 Centerville Road, Suite 400, City of Wilmington 19808, County of New Castle.

3. The registered agent of the corporation within the State of Delaware is hereby changed to Corporation Service Company, the business office of which is identical with the registered office of the corporation as hereby changed.

4. The corporation has authorized the changes hereinbefore set forth by resolution of its Board of Directors.

Signed on November 16, 2005

/s/ Linda L. Foss

Name: Linda L. Foss

Title: Assistant Secretary

**STATE OF DELAWARE
CERTIFICATE OF CHANGE
OF REGISTERED AGENT AND/OR
REGISTERED OFFICE**

The Board of Directors of Valvoline Instant Oil Change Franchising, Inc., a Delaware Corporation, on this 19 day of March, AD. 2009, do hereby resolve and order that the location of the Registered Office of this Corporation within this State be, and the same hereby is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, Zip Code 19801.

The name of the Registered Agent therein and in charge thereof upon whom process against this Corporation may be served, is THE CORPORATION TRUST COMPANY _____

The Corporation does hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Directors at a meeting held as herein stated.

IN WITNESS WHEREOF, said Corporation has caused this certificate to be signed by an authorized officer, the 19 day of March, A.D., 2009.

By: /s/ Tim Light
Authorized Officer
Name: Tim Light
Print or Type
Title: Vice President

VALVOLINE INSTANT OIL CHANGE FRANCHISING, INC.

As Adopted Pursuant to Resolution Dated August 10, 1988

BY-LAWS

ARTICLE I. SHAREHOLDERS

Section 1. Annual Meeting

The annual meeting of the Shareholders of the Corporation shall be held on August 1 of each year at such time and place as shall be designated by resolution of the Board of Directors.

Section 2. Special Meeting

Special meetings of the Shareholders, for any purpose or purposes, may be called by a majority of the Board of Directors or the President to be held at such time and place as shall be designated in the notice thereof.

Section 3. Quorum

At any meeting of the Shareholders, the holder of at least 51% of the issued and outstanding shares of stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law, in which case such larger number shall constitute a quorum for all purposes.

Section 4. Proxies

At any meeting of the Shareholders, every Shareholder entitled to vote may vote in person or by proxy authorized by an instrument in writing filed in accordance with the procedure established for the meeting.

Section 5. Action by Consent

Any and all actions required or permitted to be taken at any meeting of Shareholders may be taken without a meeting, prior notice or vote, if a consent in writing setting forth the action so taken shall be signed by all the holders of outstanding shares of stock, and such writing shall be filed with the minutes of the proceedings of the Shareholders.

ARTICLE II. BOARD OF DIRECTORS

Section 1. Powers of Directors

The Board of Directors may, except as otherwise required by law, exercise all such powers and do all such acts as may be exercised or done by the Corporation; however, the Board of Directors is specifically prohibited from exercising any of the following powers, all of which are reserved in and are to be exercised only by the Shareholders of the Corporation:

- A. the power to declare dividends;
- B. the power to borrow money and/or to mortgage, pledge or otherwise encumber assets of the Corporation;
- C. the power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or liquidate the Corporation;
- D. the power to amend the By-laws of the Corporation;
- E. the power to grant proxies to vote shares of stock owned or held by the Corporation; and
- F. the power to guarantee debts or obligations of any other person, corporation or other entity.

Section 2. Number of Directors

The number of Directors who shall constitute the whole Board of Directors shall be three (3) unless otherwise specifically provided for by the majority vote of the Shareholders.

Section 3. Term of Office

Each Director shall be elected by the Shareholders to serve at the will and pleasure of the Shareholders and shall serve until such time as his successor is elected and takes office, or until his earlier resignation or removal.

Section 4. Vacancies

In the case of any vacancy on the Board of Directors or in case of any newly created directorship, a Director to fill such vacancy or such newly created directorship for the unexpired portion of the term being filled shall be elected by the Shareholders.

Section 5. Resignation

Any Director may resign at any time by giving written notice of his resignation to the President or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein, or, if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by action of the Board of Directors. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal

A Director may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the Shareholders.

Section 7. Quorum

At any meeting of the Board of Directors, a majority of the Directors of the whole Board shall constitute a quorum for all purposes, except to the extent that the presence of a larger number maybe required by law, in which case such larger number shall constitute a quorum for all purposes.

Section 8. Action by Consent

Any action required or permitted to be taken at any meeting of the Board of Directors or of any Committee thereof may be taken without a meeting, prior notice, or vote, if a consent in writing, setting forth the action so taken, shall be signed by all the Directors and such writing is filed with the minutes of the proceedings of the Board of Directors or Committee.

ARTICLE III. OFFICERS

Section 1. Election

The officers of the Corporation shall be elected by the Board of Directors.

Section 2. Term of Office

Each officer shall be elected by the Board of Directors to serve at the will and pleasure of the Board of Directors and shall hold office until his successor is elected and takes office or until his earlier resignation or removal.

Section 3. Officers of the Corporation

The officers of the Corporation shall consist of a President, one or more Vice Presidents, a Secretary, a Treasurer, and any Chairman of the Board, Assistant Secretaries and Assistant Treasurers as shall be named by the Board of Directors. No more than two offices may be held by the same person. The President shall not serve as Secretary.

Section 4. Vacancies

In case of any vacancy of an office or in case of any newly created office, an officer to fill such vacancy or such newly created office for the unexpired portion of the term being filled shall be elected by the Board of Directors.

Section 5. Resignation

Any officer may resign at any time by giving written notice to the President or the Secretary of the Corporation and such resignation shall take effect at the time specified therein, or if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by the action of the Board of Directors. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal

An officer elected by the Board of Directors may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the Shareholders.

Section 7. Chairman of the Board of Directors

At the discretion of the Board of Directors the office of the Chairman of the Board may be established. Such Chairman of the Board shall perform all duties and functions as shall be delegated to him by the Board of Directors.

Section 8. President

The President shall be the Chief Executive Officer of the Corporation. Subject to the provisions of these By-laws and to the direction of the Board of Directors, he shall have the responsibility for the general management and control of the affairs and business of the Corporation and shall perform all duties and have all powers which are commonly incident to the office of Chief Executive or which are delegated to him by the Shareholders. The President's duties shall not, without authorization of the Shareholders, include the following powers:

-
- A. the power to borrow money and/or to mortgage, pledge or otherwise encumber assets of the Corporation;
 - B. the power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or liquidate the Corporation;
 - C. the power to grant proxies to vote shares of stock owned or held by the Corporation; and
 - D. the power to guarantee debts or obligations of any other person, corporation or other entity.

Section 9. Vice President

The Vice President or, if there be more than one, the Vice Presidents in the order determined by the Board of Directors shall in the absence or disability of the President perform the duties and exercise the powers of the President and shall have such other powers and discharge such other duties as the Board of Directors or the President shall prescribe.

Section 10. Secretary

The Secretary shall issue all authorized notices for and shall keep minutes of all meetings of the Shareholders and the Board of Directors and shall perform such other duties as the Board of Directors or the President shall prescribe.

Section 11. Assistant Secretary

The Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties as the Board of Directors or the President shall prescribe.

Section 12. Treasurer

The Treasurer shall have the custody of all moneys and securities of the Corporation and shall keep regular books of account. He shall make such disbursements of the funds of the Corporation as are proper and shall render from time to time an account of all such transactions and of the financial condition of the Corporation and shall perform such other duties as the Board of Directors shall prescribe.

Section 13. Assistant Treasurer

The Assistant Treasurer or, if there be more than one, the Assistant Treasurers in the order determined by the Board of Directors shall have such powers and discharge such duties as the Board of Directors or the President shall prescribe.

ARTICLE IV. EXECUTIVE COMMITTEE

Section 1. Designation

The Board of Directors may, by resolution passed by majority of the whole Board of Directors, designate an Executive Committee to consist of two or more Directors.

Section 2. Function and Power

The Executive Committee, to the extent provided in the resolution establishing such Committee, shall possess and may exercise during the intervals between meetings of the Board of Directors the powers of the Board of Directors in the management of the business and affairs of the Corporation.

Section 3. Vacancies

In the case of any vacancies on the Executive Committee or in the case of any newly created position thereon, a Director to fill such vacancy or newly created position shall be elected by the Board of Directors.

Section 4. Removals

A member of the Executive Committee may be removed either with or without cause at any time by a majority vote of the Board of Directors.

Section 5. Meetings

The Executive Committee shall meet as often as may be determined necessary and expedient at such times and places as shall be determined by the Executive Committee.

Section 6. Quorum

At any meeting of the Executive Committee, a majority of the members shall constitute a quorum for all purposes.

Section 7. Action by Consent

Any action required or permitted to be taken at any Committee meeting may be taken without a meeting, without prior notice, and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by all the members of the Committee and such writing is filed with the minutes of the proceedings of the Committee.

ARTICLE V. STOCK CERTIFICATES

Section 1. Issuance

Each Shareholder shall be entitled to a certificate signed by the President or any other duly appointed officer of the Corporation, certifying the number of shares owned by him.

Section 2. Transfer

Transfers of stock shall be made only upon the transfer books of the Corporation by the transfer agents designated to transfer shares of stock of the Corporation.

ARTICLE VI. LOCATION OF BOOKS, ACCOUNTS AND RECORDS

All books, accounts, and records of the Corporation, including but not limited to stock ledgers and minute books shall be located where the books, accounts, and records of any Shareholder of the Corporation which owns 51% or more of the issued and outstanding stock of this Corporation are kept or at such place as shall be designated by the majority Shareholder.

ARTICLE VII. SEAL

The Board of Directors may by resolution provide for a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary.

ARTICLE VIII. FISCAL YEAR

The fiscal year of the Corporation shall end on the 30th day of September in each year.

ARTICLE IX. AMENDMENTS

These By-laws may be amended or repealed by a majority vote of Shareholders unless otherwise specified by law.

CERTIFICATE OF FORMATION

OF

NEW RELOCATION PROPERTIES MANAGEMENT LLC

This Certificate of Formation of New Relocation Properties Management LLC (the "LLC"), dated as of November 25, 1997, is being duly executed and filed by Teresa F. Gabbard, as an authorized person, to form a limited liability company under the Delaware Limited Liability Company Act (6 Del. C. §18-101, et seq.)

FIRST. The name of the limited liability company formed hereby is New Relocation Properties Management LLC.

SECOND. The address of the registered office of the LLC in the State of Delaware is c/o The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, DE 19801.

THIRD. The name and address of the registered agent for service of process on the LLC in the State of Delaware is The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, DE 19801.

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

/s/ Teresa F. Gabbard

Name: Teresa F. Gabbard

Authorized Person

CERTIFICATE OF MERGER

OF

RELOCATION PROPERTIES MANAGEMENT, INC.

INTO

NEW RELOCATION PROPERTIES MANAGEMENT LLC

The undersigned limited liability company, New Relocation Properties Management LLC, organized and existing under and by virtue of the Delaware Limited Liability Company Act, Del. C. §18-101, et seq (the "Delaware Act"), DOES HEREBY CERTIFY:

FIRST: That the name and jurisdiction of formation or organization of each of the constituent entities which are to merge are as follows:

<u>Name</u>	<u>Jurisdiction of Formation or Organization</u>
New Relocation Properties Management LLC	Delaware
Relocation Properties Management, Inc.	Delaware

SECOND: An Agreement and Plan of Merger has been approved, adopted, certified, executed and acknowledged by New Relocation Properties Management LLC and Relocation Properties Management, Inc. in accordance with Section 18-209 of the Delaware Act and Section 264(c) and Section 228 of the General Corporation Law of the State of Delaware, 8 Del.C. §101, et seq.

THIRD: The name of the surviving Delaware limited liability company is New Relocation Properties Management LLC.

FOURTH: The merger of Relocation Properties Management, Inc. into New Relocation Properties Management LLC shall be effective immediately after the close of business on December 31, 1997.

FIFTH: The executed Agreement and Plan of Merger is on file at the principal place of business of the surviving Delaware limited liability company. The address of the principal place of business of the surviving Delaware limited liability company is 1000 Ashland Drive, Russell, Kentucky 41169.

SIXTH: A copy of the Agreement and Plan of Merger will be furnished by the surviving Delaware limited liability company, on request and without cost, to any member of New Relocation Properties Management LLC or any stockholder of Relocation Properties Management, Inc.

NEW RELOCATION PROPERTIES MANAGEMENT LLC
By: ASHLAND INC.
its Member

/s/ Thomas L. Fezell

Thomas L. Fezell, Senior Vice President
Ashland Inc.

CERTIFICATE OF AMENDMENT

OF

NEW RELOCATION PROPERTIES MANAGEMENT LLC

The Undersigned, NEW RELOCATION PROPERTIES MANAGEMENT LLC, a limited liability company, organized and existing by virtue of the Delaware Limited Liability Company Act, DOES HEREBY CERTIFY:

FIRST: That the name of the limited liability company is New Relocation Properties Management LLC.

SECOND: That the Sole Member of said LLC adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Formation of said LLC:

RESOLVED: That it is declared advisable to amend the Certificate of Formation of this LLC by changing Article First so that, as amended, said Article shall read as follows:

“The name of the limited liability company is Relocation Properties Management LLC.”

IN WITNESS WHEREOF, this Certificate of Amendment is hereby executed as of the 22nd day of December, 1997.

NEW RELOCATION PROPERTIES MANAGEMENT LLC
By: ASHLAND INC.,
Its Member

/s/ Thomas L. Fezell

Thomas L. Fezell

Senior Vice President

Certificate of Amendment to Certificate of Formation

of

RELOCATION PROPERTIES MANAGEMENT LLC

It is hereby certified that:

1. The name of the limited liability company (hereinafter called the "limited liability company") is:

RELOCATION PROPERTIES MANAGEMENT LLC

2. The certificate of formation of the limited liability company is hereby amended by striking out the statement relating to the limited liability company's registered agent and registered office and by substituting in lieu thereof the following new statement:

"The address of the registered office and the name and the address of the registered agent of the limited liability company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808."

Executed on November 16, 2005

/s/ Linda L. Foss

Name: Linda L. Foss

Title: Authorized Person

**STATE OF DELAWARE
CERTIFICATE OF AMENDMENT**

1. Name of Limited Liability Company: Relocation Properties Management LLC
2. The Certificate of Formation of the limited liability company is hereby amended as follows:
change of agent to The Corporation Trust Company 1209 Orange St. Wilmington DE 19801

IN WITNESS WHEREOF, the undersigned have executed this Certificate on the 19 day of March, AD. 2009.

By: /s/ Tim Light
Authorized Person(s)

Name: Tim Light
Print or Type
Authorized Person

AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT**OF****RELOCATION PROPERTIES MANAGEMENT LLC**

This Amended and Restated Limited Liability Company Agreement (this "Agreement") of Relocation Properties Management LLC (the "Company") is entered into by Valvoline US LLC, a Delaware limited liability company (the "Member").

W HEREAS , Ashland Inc., a Kentucky corporation (the "Initial Member"), formed the Company as a limited liability company on November 25, 1997 by filing a Certificate of Formation with the Secretary of State of the State of Delaware pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del. C. §18-101, et seq.), as amended from time to time (the "Act");

W HEREAS , the Company was formed as "New Relocation Properties Management LLC", and its name was amended to "Relocation Properties Management LLC" by a Certificate of Amendment filed on December 23, 1997 with the Secretary of State of the State of Delaware;

W HEREAS , the Initial Member contributed 100% of the outstanding membership interests in the Company to the Member;

W HEREAS , the Member agrees that the membership in and management of the Company shall be governed by the terms set forth herein.

N OW , T HEREFOR E , the Member hereby agrees as follows:

1. Name. The name of the limited liability company formed hereby is Relocation Properties Management LLC (the "Company").
2. Purpose. The Company is formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Act.
3. Powers. In furtherance of its purposes, but subject to all of the provisions of this Agreement, the Company shall have the powers and is hereby authorized to:
 - a. acquire by purchase, lease, contribution of property or otherwise, own, hold, sell, convey, transfer or dispose of any real or personal property which may be necessary, convenient or incidental to the accomplishment of the purpose of the Company;
 - b. act as a trustee, executor, nominee, bailee, director, officer, agent or in some other fiduciary capacity for any person or entity and to exercise all of the powers, duties, rights and responsibilities associated therewith;

c. take any and all actions necessary, convenient or appropriate as trustee, executor, nominee, bailee, director, officer, agent or other fiduciary, including the granting or approval of waivers, consents or amendments of rights or powers relating thereto and the execution of appropriate documents to evidence such waivers, consents or amendments;

d. operate, purchase, maintain, finance, improve, own, sell, convey, assign, mortgage, lease or demolish or otherwise dispose of any real or personal property which may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;

e. borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Company, and secure the same by mortgage, pledge or other lien on the assets of the Company;

f. invest any funds of the Company pending distribution or payment of the same pursuant to the provisions of this Agreement;

g. prepay in whole or in part, refinance, recast, increase, modify or extend any indebtedness of the Company and, in connection therewith, execute any extensions, renewals or modifications of any mortgage or security agreement securing such indebtedness;

h. enter into, perform and carry out contracts of any kind, including, without limitation, contracts with any person or entity affiliated with the Member, necessary to, in connection with, convenient to, or incidental to the accomplishment of the purposes of the Company;

i. employ or otherwise engage employees, managers, contractors, advisors, attorneys and consultants and pay reasonable compensation for such services;

j. enter into partnerships, limited liability companies, trusts, associations, corporations or other ventures with other persons or entities in furtherance of the purposes of the Company; and

k. do such other things and engage in such other activities related to the foregoing as may be necessary, convenient or incidental to the conduct of the business of the Company, and have and exercise all of the powers and rights conferred upon limited liability companies formed pursuant to the Act.

4. Principal Business Office. The principal business office of the Company shall be located at such location as may hereafter be determined by the Member.

5. Registered Office. The address of the registered office of the Company in the State of Delaware is 1209 Orange Street, Wilmington, New Castle County, DE 19801.

6. Registered Agent. The name and address of the registered agent of the Company for service of process on the Company in the State of Delaware is The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, DE 19801.

7. Members. The name and the mailing address of the Member is Valvoline US LLC, 3499 Blazer Parkway, Lexington, KY 40509.

8. Limited Liability. Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and the Member shall not be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member of the Company.

9. Capital Contributions. The Member is deemed admitted as the Member of the Company upon its execution and delivery of this Agreement.

10. Additional Contributions. The Member may, from time to time, make contributions of cash, property, or services to the capital of the Company when the Member determines that additional capital is required or advisable to preserve, maintain, or expand the business of the Company, but shall have no obligation to do so.

11. Allocation of Profits and Losses. The Company's profits and losses shall be allocated to the Member.

12. Distributions. Distributions shall be made to the Member at the times and in the aggregate amounts determined by the Member. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to the Member on account of its interest in the Company if such distribution would violate Section 18-607 of the Act or other applicable law.

13. Management. In accordance with Section 18-402 of the Act, management of the Company shall be vested in the Member. The Member shall have the power to do any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise, possessed by members of a limited liability company under the laws of the State of Delaware. The Member has the authority to bind the Company.

14. Officers. The Member may, from time to time as it deems advisable, appoint officers of the Company (the "Officers") and assign in writing titles (including, without limitation, President, Vice President, Secretary, and Treasurer) to any such person. Unless the Member decides otherwise, if the title is one commonly used for officers of a business corporation formed under the Delaware General Corporation Law, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. Any delegation pursuant to this Section 15 may be revoked at any time by the Member.

15. Other Business. The Member may engage in or possess an interest in other business ventures (unconnected with the Company) of every kind and description, independently or with others. The Company shall not have any rights in or to such independent ventures or the income or profits therefrom by virtue of this Agreement.

16. Exculpation and Indemnification. No Member or Officer shall be liable to the Company, or any other person or entity who has an interest in the Company, for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Member or Officer in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Member or Officer by this Agreement, except that a Member or Officer shall be liable for any such loss, damage or claim incurred by reason of such Member's or Officer's willful misconduct. To the full extent permitted by applicable law, a Member or Officer shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Member or Officer by reason of any act or omission performed or omitted by such Member or Officer in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Member or Officer by this Agreement, except that no Member or Officer shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Member or Officer by reason of willful misconduct with respect to such acts or omissions; provided, however, that any indemnity under this Section 17 shall be provided out of and to the extent of Company assets only, and no Member shall have personal liability on account thereof.

17. Assignments. The Member may assign in whole or in part its limited liability company interest. If the Member transfers all of its interest in the Company pursuant to this Section, the transferee shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement. Such admission shall be deemed effective immediately prior to the transfer, and, immediately following such admission, the transferor Member shall cease to be a member of the Company.

18. Admission of Additional Members. One (1) or more additional members of the Company may be admitted to the Company with the written consent of the Member.

19. Dissolution.

a. The Company shall dissolve, and its affairs shall be wound up upon the first to occur of the following: (i) the written consent of the Member, (ii) the retirement, resignation or dissolution of the Member or the occurrence of any other event which terminates the continued membership of the Member in the Company unless the business of the Company is continued in a manner permitted by the Act, or (iii) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

b. The bankruptcy of the Member will not cause the Member to cease to be a member of the Company and upon the occurrence of such an event, the business of the Company shall continue without dissolution.

c. In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied in the manner, and in the order of priority, set forth in Section 18-804 of the Act.

20. Separability of Provisions. Each provision of this Agreement shall be considered separable and if for any reasons any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement.

22. Entire Agreement. This Agreement constitutes the entire agreement of the Member with respect to the subject matter hereof.

23. Governing Law. This Agreement shall be governed by, and construed under, the laws of the State of Delaware (without regard to conflict of laws principles), all rights and remedies being governed by said laws.

24. Amendments. This Agreement may not be modified, altered, supplemented or amended except pursuant to a written agreement executed and delivered by the Member.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this Agreement as of the day of , 2016.

VALVOLINE US LLC

/s/ Laura I. Pentova

Name: Laura I. Pentova

Title: Secretary

[Signature Page to Amended and Restated LLC Agreement of New Relocation Properties Management LLC]

CERTIFICATE OF INCORPORATION

OF

VIOC FUNDING, INC.

FIRST: The name of the Corporation is VIOC Funding, Inc.

SECOND: The registered office of the Corporation in the State of Delaware is located at 1209 Orange Street in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company. The principal place of business of the Corporation is Commerce National Bank Building, 301 East Main Street, Lexington, Kentucky 40507.

THIRD: The purposes for which it is formed are:

To engage in any lawful act or activity for which corporations may be formed under the General Corporation Law of the State of Delaware.

To carry on any lawful business and to do any and everything necessary or convenient for the accomplishment of any of the purposes thereof or the attainment of any one or all of the objects incidental thereto or for the enhancement of the value of the business or properties of the Corporation or which shall at any time appear conducive thereto or expedient; to have all the rights, powers, and privileges now or hereafter conferred by the laws of the State of Delaware upon corporations organized under its General Corporation Law or under any act amendatory thereof, supplemental thereto or substituted therefor.

FOURTH: The total number of shares of stock which the Corporation is authorized to issue is ONE THOUSAND (1,000) shares of Common Stock, without par value.

FIFTH: The holders of the Common Stock shall have the right, pro rata, according to their total respective holdings of Common Stock and on such terms and conditions as the Board of Directors may determine, to purchase or subscribe for any of the authorized but unissued shares of Common Stock which the Corporation may hereafter issue; provided, however, that any such right to purchase or subscribe for any such shares of Common Stock or any such obligation shall be nontransferable.

SIXTH: The incorporator is Teresa F. Gabbard, whose mailing address is 925 Diedrich Drive, Flatwoods, Kentucky 41139.

SEVENTH: Subject to the limitations imposed by this Article SEVENTH, the business affairs of the Corporation shall be managed by the Board of Directors, and the Directors need not be elected by ballot unless required by the Bylaws of the Corporation.

The following powers shall not be vested in the Directors but shall be reserved in and exercised only by the Shareholders of the Corporation:

- A. The power to declare dividends.
- B. The power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or to liquidate the Corporation.
- C. The power to amend the Bylaws of the Corporation.
- D. The power to grant proxies to vote shares of stock owned or held by the Corporation.

To the full extent permitted by Section 102(b)(7) of the General Corporation Law of the State of Delaware, the personal liability of a Director to the Corporation or its Stockholders for monetary damages for breach of fiduciary duty as a Director shall be eliminated; provided, however, that such personal liability shall not be eliminated hereby (i) for any breach of the Director's duty of loyalty to the Corporation or its Stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the Director derived an improper personal benefit.

In addition to the circumstances in which a Director of the Corporation is not personally liable as set forth in the preceding sentence, a Director shall not be liable to the fullest extent permitted by any applicable law, whenever enacted, or any amendment to the applicable Delaware statutes hereafter enacted that further limits the liability of a Director.

This elimination of such personal liability, and the limitations applicable thereto, are not intended to eliminate or narrow any protection otherwise available to Directors of the Corporation.

EIGHTH: The names of the persons who are to serve as Directors of the Corporation until the first annual meeting of the Shareholders, or until their successors are elected and qualified, and their mailing addresses are as follows:

John D. Barr	3499 Dabney Drive Lexington, Kentucky 40509
Ben F. Lowe	3499 Dabney Drive Lexington, Kentucky 40509
Robert M. Harbison	3499 Dabney Drive Lexington, Kentucky 40509

NINTH: Subject to the restrictions that the number of Directors shall not be less than three (3), or such larger number as from time to time may be required by the laws of the State of Delaware, the number of Directors may be fixed from time to time by the Bylaws of the Corporation.

TENTH: The Corporation reserves the right to amend or repeal any provision contained in this Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware. All rights herein conferred are granted subject to this reservation.

I, THE UNDERSIGNED, being the incorporator, for the purpose of forming a corporation under the laws of the State of Delaware do make and file this Certificate of Incorporation, do certify that the facts herein stated are true and, accordingly, have hereto set my hand this 29th day of July A.D., 1988.

/s/ Teresa F. Gabbard

Teresa F. Gabbard

Incorporator

CERTIFICATE OF CHANGE OF LOCATION OF REGISTERED OFFICE

AND OF REGISTERED AGENT

OF

VIOC FUNDING, INC.

It is hereby certified that:

1. The name of the corporation (hereinafter called the "corporation") is:

VIOC FUNDING, INC.

2. The registered office of the corporation within the State of Delaware is hereby changed to 2711 Centerville Road, Suite 400, City of Wilmington 19808, County of New Castle.

3. The registered agent of the corporation within the State of Delaware is hereby changed to Corporation Service Company, the business office of which is identical with the registered office of the corporation as hereby changed.

4. The corporation has authorized the changes hereinbefore set forth by resolution of its Board of Directors.

Signed on November 16, 2005

/s/ Linda L. Foss

Name: Linda L. Foss

Title: Assistant Secretary

**STATE OF DELAWARE
CERTIFICATE OF CHANGE
OF REGISTERED AGENT AND/OR
REGISTERED OFFICE**

The Board of Directors of VIOC Funding, Inc. , a Delaware Corporation, on this 19 day of March , AD. 2009 , do hereby resolve and order that the location of the Registered Office of this Corporation within this State be, and the same hereby is Corporation Truste Center . 1209 Orange Street, in the City of Wilmington , County of New Castle Zip Code 19801 .

The name of the Registered Agent therein and in charge thereof upon whom process against this Corporation may be served, is THE CORPORATION TRUST COMPANY _____

The Corporation does hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Directors at a meeting held as herein stated.

IN WITNESS WHEREOF, said Corporation has caused this certificate to be signed by an authorized officer, the 19 day of March , A.D., 2009 .

By: /s/ Tim Light
Authorized Officer
Name: Tim Light
Print or Type
Title: Vice President

VIOC FUNDING, INC.

As Adopted Pursuant to Resolution Dated August 10, 1998

BY-LAWS

ARTICLE I. SHAREHOLDERS

Section 1. Annual Meeting

The annual meeting of the Shareholders of the Corporation shall be held on August 1 of each year at such time and place as shall be designated by resolution of the Board of Directors.

Section 2. Special Meeting

Special meetings of the Shareholders, for any purpose or purposes, may be called by a majority of the Board of Directors or the President to be held at such time and place as shall be designated in the notice thereof.

Section 3. Quorum

At any meeting of the Shareholders, the holder of at least 51% of the issued and outstanding shares of stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law, in which case such larger number shall constitute a quorum for all purposes.

Section 4. Proxies

At any meeting of the Shareholders, every Shareholder entitled to vote in person may vote in person or by proxy authorized by an instrument in writing filed in accordance with the procedure established for the meeting.

Section 5. Action by Consent

Any and all actions required or permitted to be taken at any meeting of Shareholders may be taken without a meeting, prior notice or vote, if a consent in writing setting forth the action so taken shall be signed by all the holders of outstanding shares of stock, and such writing shall be filed with the minutes of the proceedings of the Shareholders.

ARTICLE II. BOARD OF DIRECTORS

Section 1. Powers of Directors

The Board of Directors may, except as otherwise required by law, exercise all such powers and do all such acts as may be exercised or done by the Corporation; however, the Board of Directors is specifically prohibited from exercising any of the following powers, all of which are reserved in and are to be exercised only by the Shareholders of the Corporation:

- A. the power to declare dividends;
- B. the power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or liquidate the Corporation;
- C. the power to amend the By-laws of the Corporation; and
- D. the power to grant proxies to vote shares of stock owned or held by the Corporation.

Section 2. Number of Directors

The number of Directors who shall constitute the whole Board of Directors shall be three (3) unless otherwise specifically provided for by the majority vote of the Shareholders.

Section 3. Term of Office

Each Director shall be elected by the Shareholders to serve at the will and pleasure of the Shareholders and shall serve until such time as his successor is elected and takes office, or until his earlier resignation or removal.

Section 4. Vacancies

In the case of any vacancy on the Board of Directors or in case of any newly created directorship, a Director to fill such vacancy or such newly created directorship for the unexpired portion of the term being filled shall be elected by the Shareholders.

Section 5. Resignation

Any Director may resign at any time by giving written notice of his resignation to the President or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein, or, if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by action of the Board of Directors. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal

A Director may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the Shareholders.

Section 7. Quorum

At any meeting of the Board of Directors, a majority of the Directors of the whole Board shall constitute a quorum for all purposes, except to the extent that the presence of a larger number maybe required by law, in which case such larger number shall constitute a quorum for all purposes.

Section 8. Action by Consent

Any action required or permitted to be taken at any meeting of the Board of Directors or of any Committee thereof may be taken without a meeting, prior notice, or vote, if a consent in writing, setting forth the action so taken, shall be signed by all the Directors and such writing is filed with the minutes of the proceedings of the Board of Directors or Committee.

ARTICLE III. OFFICERS

Section 1. Election

The officers of the Corporation shall be elected by the Board of Directors.

Section 2. Term of Office

Each officer shall be elected by the Board of Directors to serve at the will and pleasure of the Board of Directors and shall hold office until his successor is elected and takes office or until his earlier resignation or removal.

Section 3. Officers of the Corporation

The officers of the Corporation shall consist of a President, one or more Vice Presidents, a Secretary, a Treasurer, and any Chairman of the Board, Assistant Secretaries and Assistant Treasurers as shall be named by the Board of Directors. No more than two offices may be held by the same person. The President shall not serve as Secretary.

Section 4. Vacancies

In case of any vacancy of an office or in case of any newly created office, an officer to fill such vacancy or such newly created office for the unexpired portion of the term being filled shall be elected by the Board of Directors.

Section 5. Resignation

Any officer may resign at any time by giving written notice to the President or the Secretary of the Corporation and such resignation shall take effect at the time specified therein, or if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by the action of the Board of Directors. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal

An officer elected by the Board of Directors may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the Shareholders.

Section 7. Chairman of the Board of Directors

At the discretion of the Board of Directors the office of the Chairman of the Board may be established. Such Chairman of the Board shall perform all duties and functions as shall be delegated to him by the Board of Directors.

Section 8. President

The President shall be the Chief Executive Officer of the Corporation. Subject to the provisions of these By-laws and to the direction of the Board of Directors, he shall have the responsibility for the general management and control of the affairs and business of the Corporation and shall perform all duties and have all powers which are commonly incident to the office of Chief Executive or which are delegated to him by the Shareholders. The President's duties shall not, without authorization of the Shareholders or the Board of Directors, as the case may be, include the following powers:

- A. the power to borrow money and/or to mortgage, pledge or otherwise encumber assets of the Corporation;

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- B. the power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or liquidate the Corporation;
 - C. the power to grant proxies to vote shares of stock owned or held by the Corporation; and
 - D. the power to guarantee debts or obligations of any other person, corporation or other entity.

Section 9. Vice President

The Vice President or, if there be more than one, the Vice Presidents in the order determined by the Board of Directors shall in the absence or disability of the President perform the duties and exercise the powers of the President and shall have such other powers and discharge such other duties as the Board of Directors or the President shall prescribe.

Section 10. Secretary

The Secretary shall issue all authorized notices for and shall keep minutes of all meetings of the Shareholders and the Board of Directors and shall perform such other duties as the Board of Directors or the President shall prescribe.

Section 11. Assistant Secretary

The Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties as the Board of Directors or the President shall prescribe.

Section 12. Treasurer

The Treasurer shall have the custody of all moneys and securities of the Corporation and shall keep regular books of account. He shall make such disbursements of the funds of the Corporation as are proper and shall render from time to time an account of all such transactions and of the financial condition of the Corporation and shall perform such other duties as the Board of Directors shall prescribe.

Section 13. Assistant Treasurer

The Assistant Treasurer or, if there be more than one, the Assistant Treasurers in the order determined by the Board of Directors shall have such powers and discharge such duties as the Board of Directors or the President shall prescribe.

ARTICLE IV. EXECUTIVE COMMITTEE

Section 1. Designation

The Board of Directors may, by resolution passed by majority of the whole Board of Directors, designate an Executive Committee to consist of two or more Directors.

Section 2. Function and Power

The Executive Committee, to the extent provided in the resolution establishing such Committee, shall possess and may exercise during the intervals between meetings of the Board of Directors the powers of the Board of Directors in the management of the business and affairs of the Corporation.

Section 3. Vacancies

In the case of any vacancies on the Executive Committee or in the case of any newly created position thereon, a Director to fill such vacancy or newly created position shall be elected by the Board of Directors.

Section 4. Removals

A member of the Executive Committee may be removed either with or without cause at any time by a majority vote of the Board of Directors.

Section 5. Meetings

The Executive Committee shall meet as often as may be determined necessary and expedient at such times and places as shall be determined by the Executive Committee.

Section 6. Quorum

At any meeting of the Executive Committee, a majority of the members shall constitute a quorum for all purposes.

Section 7. Action by Consent

Any action required or permitted to be taken at any Committee meeting may be taken without a meeting, without prior notice, and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by all the members of the Committee and such writing is filed with the minutes of the proceedings of the Committee.

ARTICLE V. STOCK CERTIFICATES

Section 1. Issuance

Each Shareholder shall be entitled to a certificate signed by the President or any other duly appointed officer of the Corporation, certifying the number of shares owned by him.

Section 2. Transfer

Transfers of stock shall be made only upon the transfer books of the Corporation by the transfer agents designated to transfer shares of stock of the Corporation.

ARTICLE VI. LOCATION OF BOOKS, ACCOUNTS AND RECORDS

All books, accounts, and records of the Corporation, including but not limited to stock ledgers and minute books shall be located where the books, accounts, and records of any Shareholder of the Corporation which owns 51% or more of the issued and outstanding stock of this Corporation are kept or at such place as shall be designated by the majority Shareholder.

ARTICLE VII. SEAL

The Board of Directors may by resolution provide for a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary.

ARTICLE VIII. FISCAL YEAR

The fiscal year of the Corporation shall end on the 30th day of September in each year.

ARTICLE IX. AMENDMENTS

These By-laws may be amended or repealed by a majority vote of Shareholders unless otherwise specified by law.

CERTIFICATE OF INCORPORATION
OF
VALVOLINE INTERNATIONAL, INC.

FIRST: The name of the Corporation is VALVOLINE INTERNATIONAL, INC.

SECOND: The registered office of the Corporation in the State of Delaware is located at 1209 Orange Street in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company. The principal place of business of the Corporation is 3499 Dabney Drive, Lexington, Kentucky 40509.

THIRD: The purposes for which it is formed are:

To engage in any lawful act or activity for which corporations may be formed under the General Corporation Law of the State of Delaware.

To carry on any lawful business and to do any and everything necessary or convenient for the accomplishment of any of the purposes thereof or the attainment of any one or all of the objects incidental thereto or for the enhancement of the value of the business or properties of the Corporation or which shall at any time appear conducive thereto or expedient; to have all the rights, powers, and privileges now or hereafter conferred by the laws of the State of Delaware upon corporations organized under its General Corporation Law or under any act amendatory thereof, supplemental thereto or substituted therefor.

FOURTH: The total number of shares of stock which the Corporation is authorized to issue is ONE THOUSAND (1,000) shares of Common Stock, without par value.

FIFTH: The holders of the Common Stock shall have the right, pro rata, according to their total respective holdings of Common Stock and on such terms and conditions as the Board of Directors may determine, to purchase or subscribe for any of the authorized but unissued shares of Common Stock which the Corporation may hereafter issue; provided, however, that any such right to purchase or subscribe for any such shares of Common Stock or any such obligation shall be nontransferable.

SIXTH: The incorporator is Teresa F. Gabbard, whose mailing address is 925 Diedrich Drive, Flatwoods, Kentucky 41139.

SEVENTH: Subject to the limitations imposed by this Article SEVENTH, the business affairs of the Corporation shall be managed by the Board of Directors, and the Directors need not be elected by ballot unless required by the Bylaws of the Corporation.

The following powers shall not be vested in the Directors but shall be reserved in and exercised only by the Shareholders of the Corporation:

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- A. The power to declare dividends.
 - B. The power to borrow money and/or to mortgage, pledge or otherwise encumber assets of the Corporation.
 - C. The power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or to liquidate the Corporation.
 - D. The power to amend the Bylaws of the Corporation.
 - E. The power to grant proxies to vote shares of stock owned or held by the Corporation.
 - F. The power to guarantee debts or obligations of any other person, corporation or other entity.

EIGHTH: To the full extent permitted by Section 102(b)(7) of the General Corporation Law of the State of Delaware, the personal liability of a Director to the Corporation or its Stockholders for monetary damages for breach of fiduciary duty as a Director shall be eliminated; provided, however, that such personal liability shall not be eliminated hereby (i) for any breach of the Director's duty of loyalty to the Corporation or its Stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the Director derived an improper personal benefit.

In addition to the circumstances in which a Director of the Corporation is not personally liable as set forth in the preceding sentence, a Director shall not be liable to the fullest extent permitted by any applicable law, whenever enacted, or any amendment to the applicable Delaware statutes hereafter enacted that further limits the liability of a Director,

This elimination of such personal liability, and the limitations applicable thereto, are not intended to eliminate or narrow any protection otherwise available to Directors of the Corporation.

NINTH: The names of the persons who are to serve as Directors of the Corporation until the first annual meeting of the Shareholders, or until their successors are elected and qualified, and their mailing addresses are as follows:

John C. Biehl	3499 Dabney Drive Lexington, KY 40509
John M. Gordon	3499 Dabney Drive Lexington, KY 40509
Lilian D, Williams	3499 Dabney Drive Lexington, KY 40509

TENTH: Subject to the restrictions that the number of Directors shall not be less than three (3), or such larger number as from time to time may be required by the laws of the State of Delaware, the number of Directors may be fixed from time to time by the Bylaws of the Corporation.

ELEVENTH: The Corporation reserves the right to amend or repeal any provision contained in this Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware. All rights herein conferred are granted subject to this reservation.

I, THE UNDERSIGNED, being the incorporator, for the purpose of forming a corporation under the laws of the State of Delaware do make and file this Certificate of Incorporation, do certify that the fact herein stated are true and, accordingly, have hereto set my hand this 26th day of September 1995.

/s/ Teresa F. Gabbard

Teresa F. Gabbard
Incorporator

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

Valvoline International, Inc., a corporation organized and existing under and by virtue of the Delaware General Corporation Law does hereby certify:

FIRST: That the Board of Directors of said corporation by the unanimous written consent of its members, filed with the Minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of said corporation:

RESOLVED: That it is declared advisable to amend the Certificate of Incorporation of this corporation by changing Article FOURTH so that, as amended, said Article shall read as follows:

FOURTH: The total number of shares of stock which the Corporation is authorized to issue is ONE THOUSAND (1,000) shares of Common Stock, without par value. All of the capital stock of the Corporation shall be held, sold, transferred, assigned or otherwise disposed of only in tandem with all of the partnership interests in AshOne C.V. a partnership formed under the laws of the Netherlands.

FURTHER RESOLVED: That the Certificate of Incorporation be amended further by changing Article FIFTH so that, as amended, said Article shall read as follows:

FIFTH: Subject to the limitations imposed by Article FOURTH, the holders of the Common Stock shall have the right, pro rata, according to their total respective holdings of Common Stock and on such terms and conditions as the Board of Directors may determine, to purchase or subscribe for any of the authorized but unissued shares of Common Stock which the Corporation may hereafter issue; provided, however, that any such right to purchase or subscribe for any such shares of Common Stock or any such obligation shall be nontransferable.

SECOND: Other than as amended above, the Certification of Incorporation is unchanged hereby and remains in full force and effect.

THIRD: That in lieu of a meeting and vote of stockholder of the corporation, the stockholder thereof has given unanimous written consent to said amendment in accordance with the applicable provisions of Sections 228 and 242 of the Delaware General Corporation Law.

FOURTH: That the aforesaid amendments were duly adopted in accordance with the applicable provisions of Sections 228 and 242 of the Delaware General Corporation Law.

IN WITNESS WHEREOF, said Valvoline International, Inc. has caused its corporate seal to be hereunto affixed and this certificate to be signed by John C. Biehl, its Vice President, and attested by Steven L. Spalding, its Secretary, this 30th day of September, 2000.

ATTEST:

VALVOLINE INTERNATIONAL, INC,

/s/ Steven L. Spalding
Steven L. Spalding
Secretary

/s/ John C. Biehl
John C. Biehl
President

(SEAL)

CERTIFICATE OF CHANGE OF LOCATION OF REGISTERED OFFICE

AND OF REGISTERED AGENT

OF

VALVOLINE INTERNATIONAL, INC.

It is hereby certified that:

1. The name of the corporation (hereinafter called the "corporation") is:

VALVOLINE INTERNATIONAL, INC.

2. The registered office of the corporation within the State of Delaware is hereby changed to 2711 Centerville Road, Suite 400, City of Wilmington 19808, County of New Castle.

3. The registered agent of the corporation within the State of Delaware is hereby changed to Corporation Service Company, the business office of which is identical with the registered office of the corporation as hereby changed.

4. The corporation has authorized the changes hereinbefore set forth by resolution of its Board of Directors.

Signed on November 16, 2005

/s/ Linda L. Foss

Name: Linda L. Foss

Title: Assistant Secretary

**STATE OF DELAWARE
CERTIFICATE OF CHANGE
OF REGISTERED AGENT AND/OR
REGISTERED OFFICE**

The Board of Directors of Valvoline International, Inc., a Delaware Corporation, on this 19 day of March, A.D. 2009, do hereby resolve and order that the location of the Registered Office of this Corporation within this State be, and the same hereby is Corporation Trust Company, 1209 Orange Street, in the City of Wilmington, County of New Castle, Zip Code 19801.

The name of the Registered Agent therein and in charge thereof upon whom process against this Corporation may be served, is THE CORPORATION TRUST COMPANY _____

The Corporation does hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Directors at a meeting held as herein stated.

IN WITNESS WHEREOF, said Corporation has caused this certificate to be signed by an authorized officer, the 19 day of March, A.D., 2009.

By: /s/ Tim Light
Authorized Officer
Name: Tim Light _____
Print or Type
Title: Vice President

CERTIFICATE OF AMENDMENT
OF THE
CERTIFICATE OF INCORPORATION
OF
VALVOLINE INTERNATIONAL, INC,
ADOPTED IN ACCORDANCE WITH THE
PROVISIONS OF SECTION 242 OF THE
DELAWARE GENERAL CORPORATION LAW

It is hereby certified that:

1. The present name of the corporation (the "Corporation") is Valvoline International, Inc.
2. The Certificate of Incorporation of the Corporation was filed with the Secretary of State of Delaware on September 27, 1995 and was amended by a Certificate of Amendment filed with the Secretary of State on November 9, 2000 (as so amended, the "Certificate of Incorporation").
3. Article FOURTH of the Certificate of Incorporation of the Corporation is hereby amended and restated to read in its entirety as follows:
 "The total number of shares of stock which the Corporation is authorized to issue is ONE THOUSAND (1,000) shares of Common Stock, without par value."
4. The foregoing amendment was declared advisable by a resolution duly adopted by unanimous written consent of the directors of the Corporation dated September 2, 2016, and was duly adopted in accordance with the provisions of Section 242 of the Delaware General Corporation Law by the affirmative vote of the sole stockholder of the Corporation.
5. This Certificate of Amendment, and the amendment to the Certificate of Incorporation contemplated herein, shall be effective upon filing.

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed this 2nd day of September, 2016.

By: /s/ Craig A. Moughler

Name: Craig A. Moughler

Title: Authorized Officer

VALVOLINE INTERNATIONAL, INC.

As Adopted Pursuant to Resolution Dated September 27, 1995

BY-LAWS

ARTICLE I. SHAREHOLDERS

Section 1. Annual Meeting.

The annual meeting of the shareholders of the Corporation shall be held, unless changed by resolution of the Board of Directors, on the first Monday of August of each year at such time and place as shall be designated by resolution of the Board of Directors.

Section 2. Special Meeting.

Special meetings of the shareholders, for any purpose or purposes, may be called by a majority of the Board of Directors or the President at such place, date and hour as shall be designated in the notice thereof. Notice of any special meeting shall be sent to shareholders of record not less than three (3) days prior to the meeting.

Section 3. Quorum.

At any meeting of the shareholders, the holders of at least 51% of the issued and outstanding shares of stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law, in which case such larger number shall constitute a quorum for all purposes.

Section 4. Proxies.

At any meeting of the shareholders, every shareholder entitled to vote may vote in person or by proxy authorized by an instrument in writing filed in accordance with the procedure established by the Board of Directors for the meeting.

Section 5. Action By Consent.

Any action required or permitted to be taken at any meeting of the shareholders may be taken without a meeting if all shareholders consent thereto, in writing, and such writing is filed with the minutes of the proceedings of the shareholders.

ARTICLE II. BOARD OF DIRECTORS

Section 1. Powers of Directors.

The Board of Directors may, except as otherwise required by law, exercise all such powers and do all such acts as may be exercised or done by the Corporation; however, the Board of Directors is specifically prohibited from exercising any of the following powers, all of which are reserved in and are, to be exercised only by the shareholders of the Corporation:

- (a) the power to declare dividends;
- (b) the power to borrow money and/or to mortgage, pledge or otherwise encumber assets of the Corporation;
- (c) the power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or liquidate the Corporation;
- (d) the power to amend the By-laws of the Corporation;
- (e) the power to grant proxies to vote shares of stock owned or held by the Corporation; and

(f) the power to guarantee debts or obligations of any other person, corporation or other entity.

Section 2. Number of Directors .

The number of directors who shall constitute the whole Board of Directors shall be three (3) unless otherwise specifically provided for by the majority vote of the shareholders.

Section 3. Term of Office .

Each director shall be elected by the shareholders at each annual meeting and shall serve at the will and pleasure of the shareholders until the next succeeding annual meeting or until such time as a successor is elected and takes office or until his earlier resignation or removal.

Section 4. Vacancies .

In the case of any vacancy on the Board of Directors or in case of any newly created directorship, a director to fill such vacancy or such newly created directorship for the unexpired portion of the term being filled shall be elected by the shareholders.

Section 5. Resignation .

Any director may resign at any time by giving written notice of his resignation to the President or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein, or, if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by action of the Board of Directors. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal.

A director may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the shareholders.

Section 7. Quorum.

At any meeting of the Board of Directors, a majority of the directors of the whole Board shall constitute a quorum for all purposes, except to the extent that the presence of a larger number may be required by law, in which case such larger number shall constitute a quorum for all purposes.

Section 8. Meetings.

(a) Annual Meeting. As soon as practical after each annual election of directors, the Board of Directors shall meet for the purpose of organization and the transaction of business.

(b) Regular Meetings. Regular meetings of the Board of Directors shall be held at such dates, times and places as the Board of Directors may from time to time determine.

(c) Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board or upon the written request of a majority of the Directors filed with the Secretary. Any and all business may be transacted at a special meeting which may be transacted at a regular meeting of the Board of Directors.

(d) Place of Meetings. The Board of Directors may hold its meetings at such place or places as it may from time to time by resolution determine or as shall be designated in the respective notices or waiver of notices thereof.

(e) Notice of Meetings. Notices of the annual meeting or regular meetings of the Board of Directors or any adjourned meeting need not be given. Notices of special meetings of the Board of Directors, or of any committee of the Board of Directors which has not been fixed in advance as to time and place by such committee, shall be mailed by the Secretary to each director, or member of such committee, addressed to him at his residence or usual place of business, at least two (2) days before the day on which such meeting is to be held, or shall be sent to him by telegraph, cable or other form of recorded communication or be delivered personally or by telephone not later than the day before such meeting is to be held.

(f) Telephonic Meeting. Any meeting of the Board of Directors, or any committee thereof, may be conducted through the use of any means of communication by which all persons participating in the meeting can hear and speak to each other, and the directors' participation in such a meeting shall constitute presence in person at the meeting for all purposes.

(g) Action By Consent. Any action required or permitted to be taken at any meeting of the Board of Directors, or any committee thereof, may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing, and such writing is filed with the minutes of the proceedings of the Board of Directors or the committee.

ARTICLE III. OFFICERS

Section 1. Election.

The officers of the Corporation shall be elected by the Board of Directors.

Section 2. Term of Office.

Each officer shall be elected by the Board of Directors to serve at the will and pleasure of the Board of Directors and shall hold office until his successor is elected and takes office or until his earlier resignation or removal.

Section 3. Officers of the Corporation .

The officers of the Corporation shall be as follows:

- (a) a President;
- (b) one or more Vice Presidents;
- (c) a Secretary and, as and when appointed, one or more Assistant Secretaries one of which may be designated as an Assistant Secretary-Tax;
- (d) a Treasurer and, as and when appointed, one or more Assistant Treasurers one of which may be designated as an Assistant Treasurer-Tax.

Subject to the provisions of any applicable law, more than one office may be held by the same person, except that the offices of President and Secretary may not be held by the same person.

Section 4. Vacancies .

In case of any vacancy of an office or in case of any newly created office, an officer to fill such vacancy or such newly created office for the unexpired portion of the term being filled shall be elected by the Board of Directors.

Section 5. Resignation .

Any officer may resign at any time by giving written notice to the President or the Secretary of the Corporation and such resignation shall take effect at the time specified therein, or if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by the action of the Board of Directors. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal.

An officer elected by the Board of Directors may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the shareholders.

Section 7. Chairman of the Board of Directors.

At the discretion of the Board of Directors, the office of the Chairman of the Board may be established. Such Chairman of the Board shall perform all duties and functions as shall be delegated to him by the Board of Directors.

Section 8. Duties and Functions.

(a) The President. The President will have such powers, authority and duties as may be designated to him from time to time by the Board of Directors.

(b) Vice Presidents. The Vice Presidents will have such powers, authority and duties as may be delegated or assigned to them from time to time by the Board of Directors or the President.

(c) Secretary. The Secretary shall issue all authorized notices for and shall keep minutes of all meetings of the shareholders and the Board of Directors and shall perform such other duties as the Board of Directors or the President shall prescribe.

(d) Assistant Secretary. Except for the Assistant Secretary-Tax, the Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties as the Board of Directors or the President shall prescribe.

The authority of the Assistant Secretary-Tax shall be limited to attesting and affixing the Corporation's seal to any and all documents which the Assistant Treasurer-Tax is, pursuant to part (f) of this Section 8 of Article III, authorized to prepare, execute and file on behalf of the Corporation.

(e) Treasurer. The Treasurer shall have the custody of all moneys and securities of the Corporation and shall keep regular books of account. He shall make such disbursements of the funds of the Corporation as are proper and shall render from time to time an account of all such transactions and of the financial condition of the Corporation and shall perform such other duties as the Board of Directors shall prescribe.

(f) Assistant Treasurer. Except for the Assistant Treasurer-Tax, the Assistant Treasurer or, if there be more than one, the Assistant Treasurers in the order determined by the Board of Directors shall have such powers and discharge such duties as the Board of Directors or the President shall prescribe.

The authority of the Assistant Treasurer-Tax shall be limited to preparing, executing and filing with the United States and any political subdivision thereof, and with any other country and the political subdivisions thereof, all of the following documents: (i) income, franchise, excise, sales, use, license, property, business and occupation tax returns and reports of any kind or description; (ii) initial, periodic and annual returns and reports of any kind or description dealing with corporate status or qualification or licensing to do business and all similar reports; and (iii) returns and reports relating to unclaimed, abandoned or escheated property.

ARTICLE IV. COMMITTEES

Section 1. Executive Committee .

(a) Designation. The Board of Directors may, by resolution passed by majority of the whole Board of Directors, designate an Executive Committee to consist of two or more directors.

(b) Function and Power. The Executive Committee, subject to applicable law and to the extent provided in the resolution establishing such committee, shall possess and may exercise during the intervals between meetings of the Board of Directors the powers of the Board of Directors in the management of the business and affairs of the Corporation.

(c) Vacancies. In the case of any vacancies on the Executive Committee or in the case of any newly created position thereon, a director to fill such vacancy or newly created position shall be elected by the Board of Directors.

(d) Removals. A member of the Executive Committee may be removed either with or without cause at any time by a majority vote of the Board of Directors.

(e) Meetings. The Executive Committee shall meet as often as may be determined necessary and expedient at such times and places as shall be determined by the Executive Committee.

(f) Quorum. At any meeting of the Executive Committee, a majority of the members shall constitute a quorum for all purposes.

Section 2. Other Committees

The Board of Directors may, by resolution passed by a majority of the whole Board, designate other committees, each committee to consist of two or more directors and to have such duties and functions as shall be provided in such resolution. The Board of Directors shall have the power to change the members of any such committee at any time, to fill vacancies and to discharge any such committee, either with or without cause, at any time.

ARTICLE V. STOCK CERTIFICATES

Section 1. Issuance

Each shareholder shall be entitled to a certificate signed by the President or any other duly appointed officer of the Corporation, certifying the number of shares owned by him.

Section 2. Transfer

Transfers of stock shall be made only upon the transfer books of the Corporation by the transfer agents designated to transfer shares of stock of the Corporation.

ARTICLE VI. BOOKS, ACCOUNTS AND RECORDS

The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its shareholders, the Board of Directors and committees of the Board of Directors. All books, accounts, and records of the Corporation, including but not limited to stock ledgers and minute books shall be located where the books, accounts, and records of any shareholder of the Corporation which owns 51% or more of the issued and outstanding stock of this Corporation are kept or at such place as shall be designated by the majority shareholder.

ARTICLE VII. SEAL

The Board of Directors may by resolution provide for a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary.

ARTICLE VIII. FISCAL YEAR

The fiscal year of the Corporation shall end on the 30th day of September in each year.

ARTICLE IX. AMENDMENTS

These By-laws may be amended or repealed by a majority vote of shareholders unless otherwise specified by law.

CERTIFICATE OF INCORPORATION

OF

FUNDING CORP. I

FIRST: The name of the Corporation is Funding Corp. I.

SECOND: The registered office of the Corporation in the State of Delaware is located at 1209 Orange Street in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company. The principal place of business of the Corporation is Commerce National Bank Building, 301 East Main Street, Lexington, Kentucky 40507.

THIRD: The purposes for which it is formed are:

To engage in any lawful act or activity for which corporations may be formed under the General Corporation Law of the State of Delaware.

To carry on any lawful business and to do any and everything necessary or convenient for the accomplishment of any of the purposes thereof or the attainment of any one or all of the objects incidental thereto or for the enhancement of the value of the business or properties of the Corporation or which shall at any time appear conducive thereto or expedient; to have all the rights, powers, and privileges now or hereafter conferred by the laws of the State of Delaware upon corporations organized under its General Corporation Law or under any act amendatory thereof, supplemental thereto or substituted therefor.

FOURTH: The total number of shares of stock which the Corporation is authorized to issue in ONE THOUSAND (1,000) shares of Common Stock, without par value.

FIFTH: The holders of the Common Stock shall have the right, pro rata, according to their total respective holdings of Common Stock and on such terms and conditions as the Board of Directors may determine, to purchase or subscribe for any of the authorized but unissued shares of Common Stock which the Corporation may hereafter issue; provided, however, that any such right to purchase or subscribe for any such shares of Common Stock or any such obligation shall be nontransferable.

SIXTH: The incorporator is Teresa F. Gabbard, whose mailing address is 925 Diedrich Drive, Flatwoods, Kentucky 41139.

SEVENTH: Subject to the limitations imposed by this Article SEVENTH, the business affairs of the Corporation shall be managed by the Board of Directors, and the Directors need not be elected by ballot unless required by the Bylaws of the Corporation.

The following powers shall not be vested in the Directors but shall be reserved in and exercised only by the Shareholders of the Corporation:

- A. The power to declare dividends.

- B. The power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or to liquidate the Corporation.
- C. The power to amend the Bylaws of the Corporation.
- D. The power to grant proxies to vote shares of stock owned or held by the Corporation.

To the full extent permitted by Section 102(b)(7) of the General corporation Law of the State of Delaware, the personal liability of a Director to the Corporation or its Stockholders for monetary damages for breach of fiduciary duty as a Director shall be eliminated; provided, however, that such personal liability shall not be eliminated hereby (i) for any breach of the Director's duty of loyalty to the Corporation or its Stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the Director derived an improper personal benefit.

In addition to the circumstances in which a Director of the Corporation is not personally liable as set forth in the preceding sentence, a Director shall not be liable to the fullest extent permitted by any applicable law, whenever enacted, or any amendment to the applicable Delaware statutes hereafter enacted that further limits the liability of a Director.

This elimination of such personal liability, and the limitations applicable thereto, are not intended to eliminate or narrow any protection otherwise available to Directors of the Corporation.

EIGHTH: The names of the persona who are to serve as Directors of the Corporation until the first annual meeting of the Shareholders, or until their successors are elected and qualified, and their mailing addresses are as follows:

John D. Barr	3499 Dabney Drive Lexington, Kentucky 40509
Ben F. Lowe	3499 Dabney Drive Lexington, Kentucky 40509
Robert M. Harbison	3499 Dabney Drive Lexington, Kentucky 40509

NINTH: Subject to the restrictions that the number of Directors shall not be less than three (3), or such larger number as from time to time may be required by the laws of the State of Delaware, the number of Directors may be fixed from time to time by the Bylaws of the Corporation.

TENTH: The Corporation reserves the right to amend or repeal any provision contained in this Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware. All rights herein conferred are granted subject to this reservation.

I, THE UNDERSIGNED, being the incorporator, for the purpose of forming a corporation under the laws of the State of Delaware do make and file this Certificate of Incorporation, do certify that the facts herein stated are true and, accordingly, have hereto set my hand this 3rd day of August A.D., 1988.

/s/ Teresa F. Gabbard

Teresa F. Gabbard

Incorporator

CERTIFICATE OF CHANGE OF LOCATION OF REGISTERED OFFICE

AND OF REGISTERED AGENT

OF

FUNDING CORP. I

It is hereby certified that:

1. The name of the corporation (hereinafter called the "corporation") is:

FUNDING CORP. I

2. The registered office of the corporation within the State of Delaware is hereby changed to 2711 Centerville Road, Suite 400, City of Wilmington 19808, County of New Castle.

3. The registered agent of the corporation within the State of Delaware is hereby changed to Corporation Service Company, the business office of which is identical with the registered office of the corporation as hereby changed.

4. The corporation has authorized the changes hereinbefore set forth by resolution of its Board of Directors.

Signed on November 16, 2005

/s/ Linda L. Foss

Name: Linda L. Foss

Title: Assistant Secretary

STATE OF DELAWARE

CERTIFICATE OF CHANGE

OF REGISTERED AGENT AND/OR

REGISTERED OFFICE

The Board of Directors of Funding Corp. I, a Delaware Corporation, on this 19 day of March, A.D. 2009 do hereby resolve and order that the location of the Registered Office of this Corporation within this State be, and the same hereby is Corporation Trust Center 1209 Orange Street, in the City of Wilmington, County of New Castle, Zip Code 19801.

The name of the Registered Agent therein and in charge thereof upon whom process against this Corporation may be served, is THE CORPORATION TRUST COMPANY.

The Corporation does hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Directors at a meeting held as herein stated.

IN WITNESS WHEREOF, said Corporation has caused this certificate to be signed by an authorized officer, the 19 day of March, AD., 2009.

By: /s/ Tim Light

Authorized Officer

Name: Tim Light

Print or Type

Title: Vice President

FUNDING CORP. I

As Adopted Pursuant to Resolution Dated August 8, 1998

BY-LAWS

ARTICLE I. SHAREHOLDERS

Section 1. Annual Meeting

The annual meeting of the Shareholders of the Corporation shall be held on August 1 of each year at such time and place as shall be designated by resolution of the Board of Directors.

Section 2. Special Meeting

Special meetings of the Shareholders, for any purpose or purposes, may be called by a majority of the Board of Directors or the President to be held at such time and place as shall be designated in the notice thereof.

Section 3. Quorum

At any meeting of the Shareholders, the holder of at least 51% of the issued and outstanding shares of stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law, in which case such larger number shall constitute a quorum for all purposes.

Section 4. Proxies

At any meeting of the Shareholders, every Shareholder entitled to vote may vote in person or by proxy authorized by an instrument in writing filed in accordance with the procedure established for the meeting.

Section 5. Action by Consent

Any and all actions required or permitted to be taken at any meeting of Shareholders may be taken without a meeting, prior notice or vote, if a consent in writing setting forth the action so taken shall be signed by all the holders of outstanding shares of stock, and such writing shall be filed with the minutes of the proceedings of the Shareholders.

ARTICLE II. BOARD OF DIRECTORS

Section 1. Powers of Directors

The Board of Directors may, except as otherwise required by law, exercise all such powers and do all such acts as may be exercised or done by the Corporation; however, the Board of Directors is specifically prohibited from exercising any of the following powers, all of which are reserved in and are to be exercised only by the Shareholders of the Corporation:

- A. the power to declare dividends;
- B. the power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or liquidate the Corporation;
- C. the power to amend the By-laws of the Corporation; and
- D. the power to grant proxies to vote shares of stock owned or held by the Corporation.

Section 2. Number of Directors

The number of Directors who shall constitute the whole Board of Directors shall be three (3) unless otherwise specifically provided for by the majority vote of the Shareholders.

Section 3. Term of Office

Each Director shall be elected by the Shareholders to serve at the will and pleasure of the Shareholders and shall serve until such time as his successor is elected and takes office, or until his earlier resignation or removal.

Section 4. Vacancies

In the case of any vacancy on the Board of Directors or in case of any newly created directorship, a Director to fill such vacancy or such newly created directorship for the unexpired portion of the term being filled shall be elected by the Shareholders.

Section 5. Resignation

Any Director may resign at any time by giving written notice of his resignation to the President or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein, or, if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by action of the Board of Directors. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal

A Director may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the Shareholders.

Section 7. Quorum

At any meeting of the Board of Directors, a majority of the Directors of the whole Board shall constitute a quorum for all purposes, except to the extent that the presence of a larger number may be required by law, in which case such larger number shall constitute a quorum for all purposes.

Section 8. Action by Consent

Any action required or permitted to be taken at any meeting of the Board of Directors or of any Committee thereof may be taken without a meeting, prior notice, or vote, if a consent in writing, setting forth the action so taken, shall be signed by all the Directors and such writing is filed with the minutes of the proceedings of the Board of Directors or Committee.

ARTICLE III. OFFICERS

Section 1. Election

The officers of the Corporation shall be elected by the Board of Directors.

Section 2. Term of Office

Each officer shall be elected by the Board of Directors to serve at the will and pleasure of the Board of Directors and shall hold office until his successor is elected and takes office or until his earlier resignation or removal.

Section 3. Officers of the Corporation

The officers of the Corporation shall consist of a President, one or more Vice Presidents, a Secretary, a Treasurer, and any Chairman of the Board, Assistant Secretaries and Assistant Treasurers as shall be named by the Board of Directors. No more than two offices may be held by the same person. The President shall not serve as Secretary.

Section 4. Vacancies

In case of any vacancy of an office or in case of any newly created office, an officer to fill such vacancy or such newly created office for the unexpired portion of the term being filled shall be elected by the Board of Directors.

Section 5. Resignation

Any officer may resign at any time by giving written notice to the President or the Secretary of the Corporation and such resignation shall take effect at the time specified therein, or if the time when it shall become effective shall not be specified therein, then it shall take effect when accepted by the action of the Board of Directors. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal

An officer elected by the Board of Directors may be removed, either with or without cause and without liability, at any time by a majority vote of either the Board of Directors or the Shareholders.

Section 7. Chairman of the Board of Directors

At the discretion of the Board of Directors the office of the Chairman of the Board may be established. Such Chairman of the Board shall perform all duties and functions as shall be delegated to him by the Board of Directors.

Section 8. President

The President shall be the Chief Executive Officer of the Corporation. Subject to the provisions of these By-laws and to the direction of the Board of Directors, he shall have the responsibility for the general management and control of the affairs and business of the Corporation and shall perform all duties and have all powers which are commonly incident to the office of Chief Executive or which are delegated to him by the Shareholders. The President's duties shall not, without authorization of the Shareholders or the Board of Directors, as the case may be, include the following powers:

- A. the power to borrow money and/or to mortgage, pledge or otherwise encumber assets of the Corporation;
- B. the power to sell all or substantially all of the assets of the Corporation or to merge, consolidate or liquidate the Corporation;
- C. the power to grant proxies to vote shares of stock owned or held by the Corporation; and
- D. the power to guarantee debts or obligations of any other person, corporation or other entity.

Section 9. Vice President

The Vice President or, if there be more than one, the Vice Presidents in the order determined by the Board of Directors shall in the absence or disability of the President perform the duties and exercise the powers of the President and shall have such other powers and discharge such other duties as the Board of Directors or the President shall prescribe.

Section 10. Secretary

The Secretary shall issue all authorized notices for and shall keep minutes of all meetings of the Shareholders and the Board of Directors and shall perform such other duties as the Board of Directors or the President shall prescribe.

Section 11. Assistant Secretary

The Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties as the Board of Directors or the President shall prescribe.

Section 12. Treasurer

The Treasurer shall have the custody of all moneys and securities of the Corporation and shall keep regular books of account. He shall make such disbursements of the funds of the Corporation as are proper and shall render from time to time an account of all such transactions and of the financial condition of the Corporation and shall perform such other duties as the Board of Directors shall prescribe.

Section 13. Assistant Treasurer

The Assistant Treasurer or, if there be more than one, the Assistant Treasurers in the order determined by the Board of Directors shall have such powers and discharge such duties as the Board of Directors or the President shall prescribe.

ARTICLE IV. EXECUTIVE COMMITTEE

Section 1. Designation

The Board of Directors may, by resolution passed by majority of the whole Board of Directors, designate an Executive Committee to consist of two or more Directors.

Section 2. Function and Power

The Executive Committee, to the extent provided in the resolution establishing such Committee, shall possess and may exercise during the intervals between meetings of the Board of Directors the powers of the Board of Directors in the management of the business and affairs of the Corporation.

Section 3. Vacancies

In the case of any vacancies on the Executive Committee or in the case of any newly created position thereon, a Director to fill such vacancy or newly created position shall be elected by the Board of Directors.

Section 4. Removals

A member of the Executive Committee may be removed either with or without cause at any time by a majority vote of the Board of Directors.

Section 5. Meetings

The Executive Committee shall meet as often as may be determined necessary and expedient at such times and places as shall be determined by the Executive Committee.

Section 6. Quorum

At any meeting of the Executive Committee, a majority of the members shall constitute a quorum for all purposes.

Section 7. Action by Consent

Any action required or permitted to be taken at any Committee meeting may be taken without a meeting, without prior notice, and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by all the members of the Committee and such writing is filed with the minutes of the proceedings of the Committee.

ARTICLE V. STOCK CERTIFICATES

Section 1. Issuance

Each Shareholder shall be entitled to a certificate signed by the President or any other duly appointed officer of the Corporation, certifying the number of shares owned by him.

Section 2. Transfer

Transfers of stock shall be made only upon the transfer books of the Corporation by the transfer agents designated to transfer shares of stock of the Corporation.

ARTICLE VI. LOCATION OF BOOKS, ACCOUNTS AND RECORDS

All books, accounts, and records of the Corporation, including but not limited to stock ledgers and minute books shall be located where the books, accounts, and records of any Shareholder of the Corporation which owns 51% or more of the issued and outstanding stock of this Corporation are kept or at such place as shall be designated by the majority Shareholder.

ARTICLE VII. SEAL

The Board of Directors may by resolution provide for a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary.

ARTICLE VIII. FISCAL YEAR

The fiscal year of the Corporation shall end on the 30th day of September in each year.

ARTICLE IX. AMENDMENTS

These By-laws may be amended or repealed by a majority vote of Shareholders unless otherwise specified by law.

ARTICLES OF INCORPORATION

OF

1300 SW FIFTH AVENUE, INC.

The undersigned natural person of the age of eighteen (18) years or more, acting as an Incorporator under the Oregon Business Corporation Act, adopts the following Articles of Incorporation:

ARTICLE I

The name of this corporation is 1300 SW FIFTH AVENUE, INC. and its duration shall be perpetual.

ARTICLE II

The purposes for which the corporation is organized are to franchise, operate and sell Oil Can Henry's centers and to engage in any other lawful activities for which corporations may be organized under the Act.

ARTICLE III

1. The aggregate number of shares which the corporation shall have authority to issue is one hundred thousand (100,000) common voting shares with no par value.
2. Shareholders shall have pre-emptive rights to acquire shares to the extent provided by the Act.
3. No Shareholder shall be entitled to cumulate his votes for election of Directors.
4. At any meeting of the Shareholders, the holders of a majority of all the outstanding voting shares of the capital stock of this corporation, present in person or represented by proxy, shall constitute a quorum of the Shareholders for all purposes.
5. The corporation shall have the right to purchase its own shares as provided by the Act.

ARTICLE IV

The address of the initial registered office of the corporation is 2300 First Interstate Tower, 1300 SW Fifth Avenue, Portland, Oregon 97201, and the name of its initial registered agent at such address is Milton R. Stewart.

ARTICLE V

1. The number of Directors of the corporation shall be fixed by the By-Laws of this corporation. The number of Directors constituting the initial Board of Directors of the corporation is two (2). The names and addresses of the persons who are to serve as Directors until the first annual meeting of Shareholders or until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
John E. Shepanek	17980 Meadowlark Lane Lake Oswego, OR 97034
James Gaylon Smith	4 SW Sherwood Court Lake Oswego, OR 97034

2. Vacancies in the Board of Directors shall be filled by the affirmative vote of the remaining Directors even though less than a quorum. All other requirements for filling such vacancies shall be established by the Bylaws of this corporation.

3. All or any number of the Directors may be removed, with or without cause, at a meeting expressly called for that purpose by a vote of the holders of a majority of the shares then entitled to vote at an election of Directors.

ARTICLE VI

Contracts or transactions of the corporation with an interested Director or Officer shall be valid as provided by the Act. The presence of such interested Director shall count toward a quorum and he may vote in favor of the transaction.

ARTICLE VII

1. The Corporation shall indemnify, to the fullest extent provided in the Act, any Director or Officer who was or is a party or is threatened to be made a party to any proceeding by reason of or arising from the fact that he is or was a Director or Officer of the Corporation. The determination and authorization of indemnification shall be made as provided in the Act.

2. The Corporation, shall pay for or reimburse the reasonable expenses incurred by a Director or Officer who is a party to a proceeding in advance of final disposition of the proceeding as provided in the Act.

3. The indemnification referred to in the various sections of this Article shall be deemed to be in addition to and not in lieu of any other rights to which those indemnified may be entitled under any statute, rule of law or equity, agreement, vote of the Shareholders or Board of Directors or otherwise.

ARTICLE VIII

The name and address of the person to whom the Corporation Commissioner may mail notices required by the Act is:

<u>Name</u>	<u>Address</u>
Jay D. Hull	2300 First Interstate Tower 1300 SW Fifth Avenue Portland, OR 97201

ARTICLE IX

The name and address of the incorporator is:

<u>Name</u>	<u>Address</u>
Jay D. Hull	2300 First Interstate Tower 1300 SW Fifth Avenue Portland, OR 97201

ARTICLE X

The person to contact about this filing is:

<u>Name</u>	<u>Telephone Number</u>
Jay D. Hull	(503) 241-2300

I, the undersigned Incorporator, declare under penalties of perjury that I have examined the foregoing and to the best of my knowledge and belief, it is true, correct and complete.

DATED this 1st day of June, 1988.

/s/ Jay D. Hull
Jay D. Hull, Incorporator

ARTICLES OF MERGER

1. Plan of Merger

- (a) Surviving Corporation . OCH International, Inc. (“OCHI”) shall merge into 1300 S.W. Fifth Avenue, Inc. (“1300”). 1300 shall be the surviving corporation.
- (b) Terms and conditions of merger . On the effective date of the merger of OCHI into 1300, the separate existence of OCHI shall cease, stock of OCHI shall be cancelled, and 1300 shall succeed to all of the properties, rights, and other assets and shall be subject to all of the liabilities of OCHI, without further action by either corporation.
- (c) The manner and basis of converting the shares of each merging corporation . The shares of OCHI shall be cancelled and the shares of 1300 shall remain in the amount of the current shares outstanding and shall still be owned by the current shareholders. There shall be no change in 1300’s shareholdings. 1300 shall succeed to all of the properties, rights, and other assets and shall be subject to all of the liabilities of OCHI.
- (d) Statement of changes in the Articles of Incorporation of 1300 . There are no changes in the Articles of Incorporation of 1300 caused by the merger with OCHI.
- (e) Other provisions that are necessary or desirable .
 - 1. The officers of OCHI are authorized and directed to execute, deliver and file such deeds, assignments, bills of sale, certificates of dissolution and other certificates or documents, as may be necessary or desirable to effectuate the transfer of all of OCHI’s assets and the liquidation and dissolution of OCHI, pursuant to the Agreement and Plan of Merger; and,
 - 2. The officers of OCHI and the officers of 1300 are hereby authorized and directed to take such additional actions as may be necessary or desirable to effect the intent of the foregoing resolutions and plan.

2. (a) 1300 has 100,000 shares of no par voting common stock authorized. Of those, 100,000 shares are issued and outstanding:

James Gaylen Smith	50,000 Shares
John E. Shepanek	<u>50,000 shares</u>
	100,000 shares outstanding

(b) OCH International, Inc. has 100 shares of no par voting common stock authorized. Of those, 100 shares are issued and outstanding:

1300 S.W. Fifth Avenue, Inc.	100 shares
	100 shares
	outstanding

-
3. (a) One hundred thousand shares of 1300 S.W. Fifth Avenue, Inc. voted for the Plan of Merger. Zero (0) shares of 1300 S.W. Fifth Avenue, Inc. voted against the Plan Merger.
(b) One hundred shares of OCH International, Inc. voted for the Plan of Merger. Zero (0) shares of OCH international, Inc. voted against the Plan of Merger.
 4. The person to contact regarding this filing is MILTON R. STEWART, whose telephone number is (503) 241-2300.
 5. 1300 S.W. Fifth Avenue and OCH International, Inc. have authorized and approved these Articles of Merger to be effective this 29th day of July, 1988.

1300 S.W. Fifth Avenue, Inc.

OCH International, Inc.

By: /s/ John E. Shepanek
John E. Shepanek
Member, Office of the President

By: /s/ James Gaylon Smith
James Gaylon Smith
President

By: /s/ James Gaylon Smith
James Gaylon Smith
Member, Office of the President

ARTICLES OF AMENDMENT BY SHAREHOLDERS

OF

1300 SW FIFTH AVENUE, INC.

1. The name of the corporation prior to amendment is 1300 SW FIFTH AVENUE, INC.

2. Article I of the Articles of Incorporation shall be amended to read:

“The name of the corporation is OCH INTERNATIONAL, INC. and its duration shall be perpetual.”

3. The amendment was adopted on July 29, 1988.

4. Shareholder action was required to adopt the amendment. One hundred thousand shares of common no par value stock are outstanding. 100,000 shares voted in favor of the amendment and no shares voted against.

/s/ John E. Shepanek

John E. Shepanek, Secretary

PERSON TO CONTACT
ABOUT THIS FILING:

Milton R. Stewart
Telephone: (503) 241-2300

ARTICLES OF AMENDMENT BY SHAREHOLDERS AND DIRECTORS

OF

OCH International, INC.

1. The name of the corporation prior to amendment is OCH International, Inc.

2. Article III, Section 1 shall be amended to read:

“The aggregate number of shares which the corporation shall have the authority to issue is two hundred thousand (200,000) common voting shares with no par value.”

3. The amendment was adopted on January 7, 1989.

4. Shareholder action was required to adopt the amendment. The shareholder vote was as follows:

<u>Class</u>	<u>No. Shares Outstanding</u>	<u>No. Shares Entitled To Vote</u>	<u>No. Vote Cast For</u>	<u>No. Votes Cast Against</u>
Common	100,000	100,000	100,000	-0-

/s/ John E. Shepanek

John E. Shepanek, Co-President

/s/ John Gaylon Smith

John Gaylon Smith, Co-President

PERSON TO CONTACT
ABOUT THIS FILING:

Milton R. Stewart
Telephone: (503) 241-2300

ARTICLES OF AMENDMENT

OF

OCR INTERNATIONAL, INC.

Pursuant to ORS 60.447, the undersigned corporation submits these Articles of Amendment for filing:

1. The name of the corporation is OCH International, Inc.
2. Article III of the Company's Articles of Incorporation is deleted in its entirety and the following language is placed in its stead:

ARTICLE III

The corporation shall have authority to issue 10,000,000 shares of common stock, without par value, and to issue 10,000,000 shares of preferred stock, without par value. Authority shall be vested in the Board of Directors to divide or issue any part or all of the authorized shares of preferred stock in any number of series and to fix, determine, and assign rights and preferences for the shares of any series so established, including, without being limited to, any of the following:

1. The rate and payment of dividends, if any, and whether dividends are cumulative or noncumulative;
2. Whether the shares may be redeemed, and, if so, the redemption price and terms, time, and conditions for redemptions;
3. The amount payable upon such shares, if any, in the event of voluntary or involuntary liquidation;
4. Sinking fund provisions, if any, for the redemption or purchase of such shares;
5. The terms and conditions, if any, on which such shares may be converted into shares of common stock or other securities of the corporation;
6. The voting rights of such shares, including any special voting privileges or advance consent requirements or denial of any voting privileges; and
7. Such other protective covenants, limitations, and conditions as may, in the judgment of the Board of Directors, be deemed reasonably calculated to preserve or protect the rights and preferences specified under 1 through 6 above.

In establishing any such series of preferred stock, the Board of Directors shall adopt a resolution so designating the series as to distinguish the shares thereof from the shares of any and all other shares in classes, and fixing and determining the relative rights and preferences thereof. Prior to the issuance of any shares of any such series or

preferred stock which has been established by such a resolution of the Board of Directors, the corporation shall execute and file in the manner provided by law all statements as may, be required by law for the issuance of a series of preferred shares, and upon such filing, the terms of such statement shall be deemed to be a part of these articles. The authority herein granted to the Board of Directors to determine the rights and preferences of the preferred stock shall be limited to supplying such terms in the case of unissued shares, and no lower shall exist to alter or change the terms of any shares which previously have been issued.

3. The amendment was adopted by the written consent of the Board of Directors and shareholders on February 8, 1990.

The Shareholder vote was as follows:

<u>Class or Series of Shares</u>	<u>Number of Shares Outstanding</u>	<u>Number of Votes Entitled to be Cast</u>	<u>Number of Vote Cast For</u>	<u>Number of Votes Cast Against</u>
Common	88,500	88,500	88,500	-0-

Dated 4-20-90, 1990

OCH INTERNATIONAL, INC.

By: /s/ John Shepanek
John Shepanek, President

Person to contact
about this filing:

Christine Welch
(206) 223-4600

**ARTICLES OF AMENDMENT
OF
OCH INTERNATIONAL INC.**

Pursuant to ORS 60.447, the undersigned corporation submits these Articles of Amendment for filing:

1. The name of the corporation is OCH International, Inc.
2. Article III of the Company's Articles of Incorporation is deleted in its entirety and the following language is placed in its stead:

ARTICLE III

Section 1. Capital Stock.

The corporation shall have authority to issue 10,000,000 shares of common stock, without par value ("Common Stock"), and to issue 10,000,000 shares of preferred stock, without par value. Authority shall be vested in the Board of Directors to divide or issue any part or all of the authorized shares of preferred stock in any number of series and to fix, determine, and assign rights and preferences for the shares of any series so established, including, without being limited to, any of the following:

- (a) The rate and payment of dividends, if any, and whether dividends are cumulative or noncumulative;
- (b) Whether the shares may be redeemed, and, if so, the redemption price and terms, time, and conditions for redemptions;
- (c) The amount payable upon such shares, if any, in the event of voluntary or involuntary liquidation;
- (d) Sinking fund provisions, if any, for the redemption or purchase of such shares;
- (e) The terms and conditions, if any, on which such shares may be converted into shares of Common Stock or other securities of the corporation;
- (f) The voting rights of such shares, including any special voting privileges or advance consent requirements or denial of any voting privileges; and
- (g) Such other protective covenants, limitations, and conditions as may, in the judgment of the Board of Directors, be deemed reasonably calculated to preserve or protect the rights and preferences specified under (a) through (f) above.

In establishing any such series of preferred stock, the Board of Directors shall adopt a resolution so designating the series as to distinguish the shares thereof from the shares of any and all other shares in classes, and fixing and determining the relative rights

and preferences thereof. Prior to the issuance of any shares of any such series or preferred stock which has been established by such a resolution of the Board of Directors, the corporation shall execute and file in the manner provided by law all statements as may be required by law for the issuance of a series of preferred shares, and upon such filing, the terms of such statement shall be deemed to be a part of these articles. The authority herein granted to the Board of Directors to determine the rights and preferences of the preferred stock shall be limited to supplying such terms in the case of unissued shares, and no power shall exist to alter or change the terms of any shares which previously have been issued.

Section 2. Destination of Series A Convertible Preferred Stock .

The following series of Preferred Stock is hereby designated, which series shall have the rights, preferences, privileges and limitations as set forth below in this Section 2 below.

A. Series A Convertibly Preferred Stock .

The series of Series A Convertible Preferred Stock, consisting of 107,700 shares, having a par value of \$3.25, shall be designated herein as the “Series A Stock” and shall be convertible into shares of the corporation’s Common Stock, as described in Section 2(E).

B. Dividends .

Dividends shall be declared and set aside for any shares of the Series A Stock only upon resolution of the Board; provided that:

1. Preference. Holders of Series A Stock, in preference to the holders of shares of any other capital stock of the corporation, shall be entitled to receive, on a quarterly basis, when and as declared by the Board of Directors, but only out of Excess Cash, as defined below, and funds that are legally available therefor, cumulative cash dividends at the prime interest rate as announced on the date that the dividend is declared by U.S. Bank, or, if such bank no longer announces a prime rate, or, if more than one rate, the average prime rate, as set forth in the Wall Street Journal plus one percent of the “Original Issue Price” per annum on each outstanding share of Series A Stock (as adjusted for any stock dividends, combinations or splits with respect to such shares). The Original Issue Price of the Series A Stock shall be \$3.25 per share. Excess Cash, for purposes of this Section 2, shall mean cash that is available from operations less the following amounts: (a) a reserve equal to the amount of cash required for three months of operations, excluding capital expenditures, as determined by the Board of Directors; (b) the amount of current liabilities, including, without limitation, the current portion of any long term indebtedness and interest thereon; and (c) the amount of taxes and franchise licenses and fees that are due and payable in the ordinary course of business.

2. Deferred Dividends. Holders of Series A Stock, in preference to the holders of any other stock of the corporation, shall be entitled to receive, upon the conversion of the Series A Stock, as provided in Section 2(E) below, or upon redemption

of such stock pursuant to Section 2(H) below, in cash or in stock, at the option of the corporation, when and as declared by the corporation, but only out of funds that are legally available therefor, a dividend at the rate of 5% of the Original Issue Price per annum on each outstanding share of Series A Stock (as adjusted for any stock dividends, combinations or splits with respect to such shares).

3. Restriction. So long as any shares of Series A Stock shall remain outstanding, no dividend, whether in cash or property, shall be paid or declared, nor shall any other distribution be made, on any Common Stock if (a) the net assets of the corporation after such event would be insufficient to make the liquidation payment described in Section 2(C) on the Series A Stock (whether or not such payment is actually to be paid), and (b) the dividends due to holders of Series A Stock pursuant to Sections 2(B)(1) and (2) shall not have been paid in full.

3. Equal or Greater Dividend. No cash dividends shall be declared on the Common Stock unless or until a cash dividend in an amount equal to or greater than the dividend declared on the Common Stock (dividends shall be compared on an as-converted-to-Common-Stock basis) shall have been paid to, or declared and a sum sufficient for the payment thereof set apart for the Series A Stock.

C. Liquidation Rights.

Upon the voluntary or involuntary dissolution, liquidation or winding up of the corporation, the assets of the corporation available for distribution to its shareholders shall be distributed in the following order and amounts:

1. General. First, the holders of shares of Series A Stock shall be entitled to receive \$3.25 for each outstanding share of Series A Stock held by them plus any accrued but unpaid dividends as set forth in Section 2(B)(1) and otherwise (the "Series A Liquidation Amount"). If upon the occurrence of such event, the assets of the corporation shall be insufficient to permit the payment of the full Series A Liquidation Amount, then the assets of the corporation available for distribution shall be distributed ratably among the holders of the shares of Series A Stock in the same proportions as the full Series A Liquidation Amount each such holder would otherwise be entitled to receive bears to the total of the full Series A Liquidation Amount that would otherwise be payable to all holders of Series A Stock, and no distribution to other shareholders of the corporation shall be made. The holders of shares of Series A Stock shall not be entitled to any distribution other than the Series A Liquidation Amount, or to share in the remaining assets of the corporation upon the completion of the distribution of the full Series A Liquidation Amount upon the happening of an event the subject of this Section 2(C).

2. Treatment of Consolidation, Mergers and Sales of Assets. The sale of all or substantially all of the assets of the corporation or the acquisition of the corporation by another entity by means of merger or otherwise resulting in the exchange of the outstanding shares of the corporation for securities of or consideration issued, or caused to be issued, by the acquiring entity or any of its affiliates shall be regarded as a

liquidation within the meaning of this Section 2(C), provided, however, that each holder of Series A Stock shall have the right to elect the benefits of the conversion provisions of Section 2(E) in lieu of receiving payment in liquidation, dissolution or winding up on the corporation pursuant to this Section 2(C); provided, further that this provision shall not apply if the shareholders of the corporation immediately prior to such transaction will own a majority of the outstanding shares of the surviving corporation

3. Distributions Other Than Cash. Whether the distribution provided for in this Section 2(C) shall be payable in property other than cash, the value of such distribution shall be the fair market value of such property as determined in good faith by the Board of Directors

D. Voting Power.

Each holder of Series A Stock shall be entitled to vote on all matters and shall be entitled to that number of votes equal to the largest number of whole shares of Common Stock into which such holder's shares of Series A Stock could be converted under Section 2(E), at the record date for the determination of shareholders entitled to vote on such matter, or, if no such record date is established, at the date on which notice of the meeting of shareholders at which the vote is to be taken is mailed, or the date any written consent of shareholders is solicited if the vote is not to be taken at a meeting. Except as otherwise expressly provided by these Articles of Incorporation or by the Oregon Business Corporation Act, the holders of shares of the Preferred Stock and Common Stock shall vote together as a single class on all matters.

E. Conversion Rights.

The holders of Series A Stock shall have the following rights with respect to the conversion of Series A Stock into shares of Common Stock:

1. General. At any time after January 2, 1999, immediately before the closing of a primary, public offering (a "Qualifying Initial Public Offering") by the corporation of shares of Common Stock, registered under the Securities Act of 1933, as amended, in which the aggregate offering proceeds are at least \$500,000 (before deduction of underwriters' discounts and commissions and expenses of the offering) and the per share price as which such shares of Common Stock are offered to the public is at least \$1.00 (appropriately adjusted to reflect the occurrence of any split or combination of shares of Common Stock, as described at Section 2(E)(4)(e)) or upon the sale of all or substantially all of the assets of the corporation, any share of the Series A Stock, at the option of the holder, may be converted at any time into such number of fully paid and nonassessable shares of Common Stock as is equal to the product obtained by multiplying the Series A Conversion Rate (determined under Section 2(E)(2)) by the number of shares of Series A Stock being converted.

2. Conversion Rate. The conversion rate for Series A Stock in effect at any time (the "Series A Conversion Rate") shall equal \$3.25 divided by the Series A Conversion Price, calculated as provided in Section 2(E)(3).

3. Conversion Price. The conversion price for Series A Stock in effect from time to time, except as adjusted in accordance with Section 2(E)(4), shall be \$3.25 (the "Series A Conversion Price").

4. Adjustments to Applicable Conversion Price. The Conversion Price shall be subject to adjustment at the times, and in accordance with the provisions as follows:

(a) Adjustments for Issuance of Shares at less than the Conversion Price. If and whenever any shares of Additional Common Stock, as defined below, shall be issued by the corporation (the "Stock Issue Date") for a consideration per share less than the Conversion Price, the Series A Conversion Price in effect upon such issuance (except as otherwise provided in this Section 2(E)(4)) shall be adjusted to a price equal to the quotient obtained by dividing the total computed under clause (x) below by the total computed under clause (y) below, as follows:

(x) an amount equal to the sum of (1) the result obtained by multiplying the number of shares of Common Stock deemed outstanding immediately before such issuance (which shall include the actual number of shares outstanding plus all shares reserved for issuance upon the conversion of all outstanding Preferred Stock) by the Series A Conversion Price then in effect and (2) the aggregate consideration, if any, received by this Corporation upon the issuance of such Additional Stock; and

(y) the number of shares of Common Stock of this Corporation outstanding immediately after such issuance (including the shares deemed outstanding as provided above).

No adjustment of the Series A Conversion Price shall be made in an amount less than \$.01 per share; provided, however, that any adjustments which are not required to be made by reason of this sentence shall be carried forward and shall be taken into account in any subsequent adjustment made to the Series A Conversion Price. Except as provided in subparagraphs 2(E)(4)(c)(iii) and (iv) below, no adjustment of the Series A Conversion Price shall have the effect of increasing the Series A Conversion Price above the Series A Conversion Price in effect immediately before such adjustment.

(b) Sale of Shares. In case of the issuance of shares of Additional Common Stock for a consideration part or all of which shall be cash, the amount of the cash consideration therefor shall be deemed to be the amount of the cash received by the corporation for such shares, after any compensation or discount in the sale, underwriting or purchase thereof by underwriters or dealers or others performing similar services or for any expenses incurred in connection therewith. In case of the issuance of any shares of Additional Common Stock for a consideration part or all of which shall be other than cash, the amount of the consideration therefor, other than cash, shall be deemed to be the then Fair Market Value, as defined below, of the property received.

(c) Options to Purchase or Rights to Subscribe. In the case of the issuance of options to purchase or rights to subscribe for Common Stock, securities by their terms convertible into or exchangeable for Common Stock, or options to purchase or rights to subscribe for such convertible or exchangeable securities (which options, rights, or convertible or exchangeable securities are not excluded from the definition of Additional Common Stock), the following provisions shall apply:

(i) the aggregate maximum number of shares of Common Stock deliverable upon exercise of such options to purchase or rights to subscribe for Common Stock shall be deemed to have been issued at the time such options or rights were issued for a consideration equal to the consideration (determined in the manner provided in Section 2(E)(4)(b) received by the corporation upon the issuance of such options or rights plus the minimum purchase price provided in such options or rights for the Common Stock covered thereby, but no further adjustment to the Series A Conversion Price shall be made for the actual issuance of Common Stock upon the exercise of such options or rights in accordance with their terms;

(ii) the aggregate maximum number of shares of Common Stock deliverable upon conversion of or in exchange for any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof shall be deemed to have been issued the time such securities were issued or such options or rights were issued for a consideration equal to the consideration received by the corporation for any such securities and related options or rights, plus the additional consideration, if any, to be received by the corporation upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in Section 2(E)(4)(b)), but no further adjustment to the Series A Conversion Price shall be made for the actual issuance of Common Stock upon the conversion or exchange of such securities in accordance with their terms;

(iii) if such options, rights or convertible or exchangeable securities by their terms provide, with the passage of time or otherwise, for any increase in the consideration payable to the corporation, or decrease in the number of shares of Common Stock issuable, upon the exercise, conversion or exchange thereof, the Series A Conversion Price computed upon the original issue thereof, and any subsequent adjustments based thereon, shall, upon such increase or decrease become effective, be recomputed to reflect such increase or decrease with respect to such options, rights and securities not already exercised, converted or exchanged before such increase or decrease becoming effective, but no further adjustment to the Series A Conversion Price shall be made for the actual issuance of Common Stock upon the exercise of any such options or rights or the conversion or exchange of such securities in accordance with their terms;

(iv) upon the expiration of any such options or rights, the termination of any such rights to convert or exchange, or the expiration of any options or rights related to such convertible or exchangeable securities, the Series A Conversion Price shall forthwith be readjusted to such Series A Conversion Price as would have been

obtained had the adjustment which was made upon the issuance of such options, rights or securities or options or rights related made upon the basis of the issuance of only the number of shares of Common Stock actually issued upon the exercise of such options or rights, upon the conversion or exchange of such securities or upon the exercise of the options or rights related to such securities; and

(v) if any such options or rights shall be issued in connection with the issue and sale of other securities of the corporation, together comprising one integral transaction in which no specific consideration is allocated to such options or rights by the parties thereto, such options or rights shall be deemed to have been issued for such consideration as determined in good faith by the Board of Directors.

(d) Split Up, Dividend or Combination of Shares. In case issued and outstanding shares of Common Stock shall be subdivided or split up into a greater number of shares of the Common Stock, or shares of Common Stock shall be issued as a dividend or otherwise distributed on outstanding Common Stock, the Conversion Price shall be proportionately decreased, and in case issued and outstanding shares of Common Stock shall be combined into a smaller number of shares of Common Stock, the Conversion Price shall be proportionately increased, such increase or decrease, as the case may be, becoming effective at the time of record of the split-up or combination, as the case may be.

(e) Additional Common Stock. The term "Additional Common Stock" herein shall mean all shares of Common Stock or securities convertible into or exchangeable or exercisable for shares of Common Stock issued by the corporation after the date of first issuance of Series A Stock other than: (i) Common Stock issued (or deemed to have been issued pursuant to Section 2(E)(4)(c)) upon the conversion of any of the Series A Stock; (ii) Common Stock issued upon exercise of any warrants, stock purchase options or other convertible securities issued and outstanding as of the date that the Series A Stock was first issued; (iii) Common Stock issued pursuant to exercise of any incentive stock option plan for the officers, directors, or key personnel of the corporation currently established at any time or as may be established in the future; or (iv) Common Stock issued pursuant to Section 2(E)(4)(d).

5. Adjustments for Mergers, Consolidations Etc.

(a) Distributions to Common Stock Holders. In the event of a distribution to all holders of Common Stock of any stock, indebtedness of the corporation or assets (excluding cash dividends or distributions from retained earnings) or other rights to purchase securities or assets, then, after such event, the Series A Stock will be convertible into the kind and amount of securities, cash and other property which the holder of the Series A Stock would have been entitled to receive if the holder owned the Common Stock issuable upon conversion of the Series A Stock immediately prior to the occurrence of such event.

(b) Reorganization or Reclassification. In case of any capital reorganization, reclassification of the stock of the corporation (other than a change in par value or as a result of a stock dividend, subdivision, split up or combination of shares), or consolidation or merger of the corporation with or into another person or entity (other than a consolidation or merger in which the corporation is the continuing corporation and which does not result in any change in the Common Stock) or of the sale, exchange, lease, transfer or other disposition of all or substantially all of the properties and assets of the corporation as an entirety or the participation by the corporation in share exchange as the corporation the stock of which is to be acquired, the Series A Stock shall be convertible into the kind and number of shares of stock or other securities or property of the corporation (or of the corporation resulting from such consolidation or surviving such merger or to which such properties and assets shall have been sold, exchanged, leased, transferred or otherwise disposed, or which was the corporation whose securities were exchanged for those of the corporation), to which the holder of the Series A Stock would have been entitled to receive if the holder owned the Common Stock issuable upon conversion of the Series A Stock immediately prior to the occurrence of such event. The provisions of these foregoing sentence shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, sales, exchanges, leases, transfers or other dispositions or other share exchanges.

6. Fair Market Value. The term "Fair Market Value," as used herein, is the value ascribed to consideration other than cash as determined by the Board of Directors of the corporation in good faith, which determination shall be final, conclusive and binding. If the Board of Directors shall be unable to agree as to such fair market value, then the issue of fair market value shall be submitted to arbitration under and pursuant to the rules and regulations of the American Arbitration Association, and the decision of the arbitrators shall be final, conclusive and binding, and a final judgment may be entered thereon; provided, however, that such arbitration shall be limited to determination of the fair market value of assets tendered in consideration for the issue of Common Stock.

7. Notice of Adjustment.

(a) Notice. In the event the corporation shall propose to take any action which shall result in an adjustment in the Conversion Price, the corporation shall give notice to the holders of the Series A Stock, which notice shall specify the record date, if any, with respect to such action and the date on which such action is to take place. Such notice shall be given on or before the earlier of 30 days before the record date or the date which such action shall be taken. Such notice shall also set forth all facts (to the extent known) material to the effect of such action on the Conversion Price and the number, kind or class of shares or other securities or property which shall be deliverable or purchasable upon the occurrence of such action or deliverable upon conversion of the Series A Stock.

(b) Statement. Following completion of an event wherein the Conversion Price shall be adjusted, the Corporation shall furnish to the holders of Series A Stock a statement, signed by the Chief Executive Officer of the corporation, of the facts creating such adjustment and specifying the resultant adjusted Conversion Price then in effect.

8. Capital Reorganization or Reclassification. If the Common Stock issuable upon the conversion of the Series A Stock shall be changed into the same or different number of shares of any class or classes of stock of the corporation, whether by capital reorganization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend provided for at Section 2(E)(4)(d)), then and in each such event the holder of each share of Series A Stock shall have the right thereafter to convert such share into the kind and amount of shares of stock and other securities and property receivable upon such reorganization, reclassification or other change by holders of the number of shares of Common Stock into which such share of Series A Stock might have been converted immediately before such reorganization, reclassification or change, all subject to further adjustment as provided herein.

9. Exercise of Conversion Privilege. To exercise its conversion privilege, a holder of Series A Stock shall surrender the certificate or certificates representing the shares being converted to the corporation at its principal office, and, shall give written notice to the corporation at that office that such holder elects to convert such shares. Such notice shall also state the name or names (with address or addresses) in which the certificate or certificates for shares of Common Stock issuable upon such conversion shall be issued. The certificate or certificates for shares of Series A Stock surrendered for conversion shall be accompanied by proper assignment thereof to the corporation or in blank. The date when such written notice is received by the corporation, together with the certificate or certificates representing the shares of Series A Stock being converted, shall be the "Conversion Date." As promptly as practicable after the Conversion Date, the corporation shall issue and shall deliver to the holder of the shares of Series A Stock being converted, or on its written order, such certificate or certificates as it may request for the number of whole shares of Common Stock issuable upon the conversion of such shares of Series A Stock in accordance with the provisions of this Section 2(E), cash in the amount of all accrued and unpaid dividends on such shares of Series A Stock up to and including the Conversion Date, and cash, as provided in Section 2(E)(10), in respect of any fraction of a share of Common Stock issuable upon such conversion. Such conversion shall be deemed to have been effected immediately before the close of business on the Conversion Date, and at such time the rights of the holder as holder of the converted shares of Series A Stock shall cease and the person or persons in whose name or Certificate or certificates for shares of Common Stock shall be issuable upon such conversion shall be deemed to have become the holder or holders of record of the shares of Common Stock represented thereby.

10. Cash in Lieu of Fractional Shares. No fractional shares of Common Stock or scrip representing fractional shares shall be issued upon the conversion of shares of Series A Stock, but the corporation shall pay to the holder of such shares a cash adjustment in respect of such fractional shares in an amount equal to the same fraction of the market price per share of the Common Stock (as determined in a reasonable manner prescribed by the Board of Directors) at the close of business on the Conversion Date. The determination as to whether or not any fractional shares are issuable shall be based upon the total number of shares of Series A Stock being converted at any one time by any holder thereof, not upon each share of Series A Stock being converted.

11. Partial Conversion. In the event that some but not all of the shares of Series A Stock represented by a certificate or certificates surrendered by a holder are converted, the corporation shall execute and deliver to or on the order of the holder, at the expense of the corporation, a new certificate representing the shares of Series A Stock that were not converted.

12 Reservation of Common Stock. The corporation at all times shall reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series A Stock, such number of its shares of Common Stock as from time to time shall be sufficient to effect the conversion of all outstanding shares of the Series A Stock and, if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series A Stock, the corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose.

F. No Reissuance of Stock .

No share or shares of Series A Stock redeemed, converted, purchased or otherwise acquired by the corporation shall be reissued, and all such shares shall be canceled, retired and eliminated from the shares which the corporation shall be authorized to issue. The corporation from time to time may take such appropriate corporate action as may be necessary to reduce the authorized number of shares of the Series A Stock accordingly.

G. Redemption by Holders of Series A Stock .

1. Series A Stock Redemption. At any time after January 1, 1999, immediately before the closing of a Qualifying Initial Public Offering, or upon the sale of all or substantially all of the assets of the corporation, the Series A Stock may be redeemed, at the option of any holders thereof, pursuant to this Section 2(G).

2. Redemption Price. The redemption price per share of Series A Stock shall be \$3.25 plus accrued but unpaid dividends as set forth in Section 2(B) and otherwise (the "Series A Redemption Price"). The Series A Redemption Price shall be appropriately adjusted for any stock dividends, splits or combinations applicable to the Series A Stock.

3. Notice of Redemption. Any holder of Series A Stock desiring to exercise its redemption rights upon the satisfaction of the condition set forth in Section 2(G)(1) above shall give written notice to the corporation stating the number of shares of Series A Stock such holder desires to have redeemed. At any time or from time to time when the corporation shall receive a notice requesting such redemption, the corporation shall, within ten business days of receiving such notice, mail a written notice (a "Redemption Notice"), postage prepaid, to each holder of record of Series A Stock, at the address last shown on the records of the corporation, with a copy of the Redemption

Notice to each such holder sent by facsimile transmission or by tested or otherwise authenticated telex. Each Redemption Notice shall state that a holder of Series A Stock has requested a redemption and shall specify the date fixed for such redemption (the "Redemption Date"), which date shall be not less than 30 nor more than 45 days after the mailing of the notice by the corporation to such holders, and shall specify the number of shares to be redeemed from each Series A holder. No defect in the Redemption Notice or any response thereto or in the mailing or publication thereof shall affect the validity of the redemption proceeding with respect to the corporation or any holder of Series A Stock; provided, however, that the corporation or such holder has timely received actual notice of the redemption.

4. Surrender of Stock. Each holder of Series A Stock seeking redemption shall surrender the certificate or certificates evidencing such shares to the corporation at any place designated for such surrender by the corporation and shall then be entitled to receive payment in cash, by wire transfer or by bank-certified check of the Series A Redemption Price for each share of Series A Stock to be redeemed. If less than all the shares represented by a share certificate are to be redeemed, the corporation shall issue a new certificate representing the shares not redeemed.

5. Status of Redeemed Shares. From and after the Redemption Date, unless default shall be made by the corporation in paying the Series A Redemption Price at the time and place specified by the corporation, all dividends on shares of Series A Stock to be redeemed on such Redemption Date shall cease to accrue and all rights of holders of such shares shall cease, except the right of holders of such shares to receive the Series A Redemption Price against delivery of certificates representing such shares and such shares shall cease to be outstanding.

H. Redemption by the Corporation

1. Right to Redeem. The Corporation, at any time, if it may lawfully do so, at the option of the Board of Directors, may redeem, in whole or in part, from any one or more holders, shares of the Series A Stock by paying in cash therefor \$3.25 per share plus accrued but unpaid dividends as set forth in Section 2(B) (such total amount is hereinafter referred to as the "Redemption Price").

2. Notice to Holders. At least thirty (30) days prior to the date fixed for any redemption of the Series A Stock (the "Redemption Date"), written notice (the "Redemption Notice") shall be mailed, postage prepaid, to each holder of record of the Series A Stock to be redeemed, at its post office address last shown on the records of the corporation, of the corporation's election to redeem such shares, specifying the Redemption Date and the date on which such holder's conversion rights (as set forth in Section 2(E)) as to such shares terminate, in accordance with Section 2(H)(3) below, disclosing to such holder any and all proposed, contemplated or anticipated transaction or other events that a reasonable investor would desire in connection with making a decision to convert the Series A Stock to Common Stock and calling upon such holder to surrender to the corporation, in the manner and at the place designated, the certificate or certificates representing the shares to the corporation, in the manner and at the place

designated in the Redemption Notice, and thereupon the Redemption Price of such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof and each surrendered certificate shall be canceled. From and after the Redemption Date, unless there shall have been a default in payment of the Redemption Price, all rights of the holders of such shares as holders of the Series A Stock of the corporation (except the right to receive the Redemption Price without interest upon surrender of their certificate or certificates) shall cease with respect to such shares, and such shares shall not thereafter be transferred on the books of the corporation or be deemed to be outstanding for any purpose whatsoever.

3. Termination of Conversion Rights. In the event of a call for redemption of any shares of Series A Stock pursuant to this Section 2(H), the conversion rights shall terminate as to the shares designated for redemption at the close of business on the fifth (5th) day preceding the Redemption Date (and not earlier), unless default is made in the payment of the Redemption Price.

I. Notices of Record Date.

In the event of

(a) any capital reorganization of the corporation, any reclassification or recapitalization of the capital stock of the corporation, any merger or consolidation of the corporation, or any transfer of all or substantially all of the assets of the corporation or

(b) any voluntary or involuntary dissolution, liquidation or winding up of this Corporation,

then and in each such event the corporation shall mail or deliver or cause to be mailed or delivered to each holder of Series A Stock a notice specifying (i) the date on which any such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding up is expected to become effective and (ii) the time, if any, that is to be fixed, as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding up. Such notice shall be mailed or delivered at least 20 days before the date specified in such notice on which such action is to be taken.

J. Covenants.

So long as any share of Series A Stock shall be issued and outstanding (as adjusted for all subdivisions and combinations), the corporation, without first obtaining the affirmative vote or written consent of not less than ninety percent of such outstanding shares of Series A Stock, shall not;

1. amend or repeal any provision of, or add any provision to, the corporation's Articles of Incorporation or By-laws if such action would alter or change the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of, the Series A Stock;

2. reclassify any Common Stock into shares having any preference or priority as to dividends or assets superior to or on a parity with any such preference or priority of the Series A Stock;

3. pay or declare any dividend or distribution on any shares of Common Stock or apply any of its assets to the redemption, retirement, purchase or other acquisition directly or indirectly, through subsidiaries or otherwise, of any shares of Common Stock; or

4. create or issue any other series, class or classes of stock having any preference or priority as to dividends or assets superior to or on a parity with any such preference or priority of the Series A Stock.

K. Residual Rights.

All rights accruing to the outstanding shares of the corporation not expressly provided for to the contrary herein shall be vested in the Common Stock.

3. The amendment was adopted by the written consent of the Board of Directors on 11-6-95.

DATED: 11-6-95

OCH INTERNATIONAL, INC.

By: /s/ John E. Shepanek
John E. Shepanek, President

Person to contact about this filing:

Rob Vallelunga
(206) 623-7580

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem, OR 97310-1327
FilingInOregon.com

Check the appropriate box below:

- MULTI ENTITY MERGER
(Complete only 1, 2, 3, 4, 10, 11)
- FOR PARENT AND 90% OWNED SUBSIDIARY
WITHOUT SHARE HOLDER APPROVAL
(Complete only 5, 6, 7, 8, 9, 10, 11)

S URVIVOR
R EGISTRY N UMBER : 118156-85

In accordance with Oregon Revised Statute 192.410-192.490, the information on this application is public record.
We must release this information to all parties upon request and it will be posted on our website.

For office use only

Please Type or Print Legibly in Black Ink. Attach Additional Sheet if Necessary.

1) N AMES AND T YPES OF THE E NTITIES P ROPOSING TO M ERGE

N AME	T YPE	R EGISTRY N UMBER
OCH International, Inc., an Oregon corporation	corporation	118156-85
MPG, Inc., a Washington corporation	corporation	UBI 601 057 422

2) N AME AND T YPE OF THE S URVIVING E NTITY OCH International, Inc., an Oregon corporation

Check here if there is a name change in this plan of merger

3) A C OPY OF THE M ERGER P LAN IS A TTACHED , See ORS 60.481(2)

4) T HE P LAN OF M ERGER WAS D ULY A UTHORIZED AND A PPROVED BY E ACH E NTITY THAT IS A P ARTY TO THE M ERGER

A Copy of the vote required by each entity is attached.

F OR P ARENT AND 90% O WNED S UBSIDIARY WITHOUT S HAREHOLDER A PPROVAL

5) N AME OF P ARENT C ORPORATION _____

Oregon Registry Number _____

6) N AME OF S UBSIDIARY C ORPORATION _____

Oregon Registry Number _____

7) N AME OF S URVIVING C ORPORATION _____

8) C OPY OF PLAN

A copy of the plan of merger setting forth the manner and basis of converting shares of the subsidiary into shares, obligations, or other securities of the parent corporation or any other corporation or into cash or other property is attached.

9) C HECK THE A PPROPRIATE BOX

A copy of the plan of merger or summary was mailed to each shareholder of record of the subsidiary corporation on or before _____ date

The mailing of a copy of the plan or summary was waived by all outstanding shares.

10) E XECUTION

Signature
/s/ John A. Ayres

Printed Name
John A. Ayres

Title
President

11) C ontact Name

Sandy Newell

D AYTIME P HONE N UMBER
(include area code)

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (“**Agreement**”), dated effective as of January 21, 2008, is between OCH INTERNATIONAL, INC., at Oregon corporation (“**OCHI**”), and MPG, INC., a Washington Corporation (“**MPG**”); the corporations are referred to collectively as the “**Constituent Corporations**.”

RECITALS

A. The Constituent Corporations desire to effect a merger on the terms set forth in this Agreement pursuant to the provisions of the Oregon Business Corporation Act and the Washington Business Corporation Act (collectively, the “**Acts**”).

B. The Constituent Corporations intend the merger to be a reorganization within the meaning of IRC §368(a)(I)(A).

AGREEMENT

NOW, THEREFORE, based upon the foregoing Recitals and the mutual covenants hereinafter set forth, the Constituent Corporations agree as follows:

SECTION 1. MERGER OF CONSTITUENT CORPORATIONS

1.1. **Merger** . At the Effective Date (as hereinafter defined), MPG will be merged with and into OCHI, the separate existence of MPG will cease and OCHI will survive as a corporation under the name OCH International, Inc. (the “**Surviving Corporation**”) organized under and governed by the laws of the state of Oregon. From that time, the Surviving Corporation, to the extent consistent with its articles of incorporation, as altered by the merger, will possess all the rights, privileges, immunities, and franchises of each of the Constituent Corporations, all property belonging to MPG will be transferred, by operation of law, to and vested in the Surviving Corporation without further act or deed, and the Surviving Corporation will be responsible for all liabilities of each of the Constituent Corporations, all in the manner and with the effect set forth in ORS 60.497 and RCW 23B.11.060.

1.2. **Further Assurances** . From time to time after the Effective Date, the officers and directors of MPG who was last in office will execute and deliver such deeds and other instruments and will cause to be taken such further actions, as will reasonably be necessary, in order to vest or perfect in the Surviving Corporation title to and possession of all the property, interests, assets, rights, privileges, immunities, and franchises of MPG.

1.3. **Effective Date** . The merger of MPG and OCHI will become effective either on the date of the filing of articles of merger pursuant to ORS 60.494 and RCW 23B.11.090 or January 21, 2008, whichever is later (the “**Effective Date**”).

1.4. **Closing** . Subject to the satisfaction of the conditions set forth in Section 8, the closing of the contemplated transactions will occur at the offices of Bateman Seldel, 888 SW 5th Avenue, Suite 1250, Portland, Oregon, 97201 at 10:00 a.m. on January 21, 2008, or at such other time and place mutually agreed upon by the Constituent Corporations. At that time, the parties will cause articles of merger to be filed in Oregon and Washington and the merger will become effective.

SECTION 2. ARTICLES OF INCORPORATION, BYLAWS, DIRECTORS, AND OFFICERS

At the Effective Date:

2.1. **Articles of Amendment** . Article III of the Articles of Amendment of OCHI, filed December 14, 1995 (File No. 11856-85), and in effect immediately before the Effective Date, is hereby deleted and shall be replaced by the following:

- (a) The Corporation shall have authority to issue 10,000,000 shares of common stock.
- (b) The Corporation shall have the right at any time to redeem any fractional share from any shareholder that holds less than one full share of common stock. Such fractional share may be redeemed upon call of the Board of Directors in exchange for a payment equal to its fair market value as reasonably determined by the Board of Directors, subject to such shareholder's dissenting rights set forth in ORS 60.551–60.594.

The Articles of Incorporation of OCHI, as amended up to the Effective Date and as further amended above, will be the Articles of Incorporation of the Surviving Corporation until further amended in accordance with applicable law.

2.2. **Amended and Restated Bylaws** . The Amended and Restated Bylaws of OCHI in effect immediately before the Effective Date will be the bylaws of the Surviving Corporation until amended or repealed.

2.3. **Directors and Officers** . The board of directors of the Surviving Corporation will consist of John E. Shepanek, Christopher J. Shepanek, John A. Ayres and John Winter, and they will hold office in each case until their successors are elected and qualify. The officers of the Surviving Corporation are John E. Shepanek, Chairman of the Board, Christopher J. Shepanek, Chief Executive Officer, John A. Ayres, President, and John A. Ayres, Secretary, and they will hold office, in each case, at the pleasure of the board of directors of the Surviving Corporation.

SECTION 3. MANNER AND BASIS OF CONVERTING SHARES

3.1. **Convention of Shares** . At the Effective Date:

3.1.1. Each share of common stock of MPO (“**MPG Shares**”) that is issued and outstanding immediately before the Effective Date, other than shares (“**Dissenting Shares**”) to which a dissenting shareholder has taken the actions required by ORS 60.551–60.594 and RCW 23B.13.101–23B.13.310 relating to dissenters' rights, will be converted into 277.6776 shares of fully paid and nonassessable common stock of the Surviving Corporation.

3.1.2. Each share of common stock and each share of the preferred stock of OCHI (“**OCHI Shares**”) that is issued and outstanding immediately before the Effective Date, other than Dissenting Shares to which a dissenting shareholder has taken the actions required by ORS 60.551–60.594 relating to dissenters' rights, will be converted into one share of fully paid and nonassessable common stock of the Surviving Corporation that is issued and outstanding immediately before the Effective Date.

3.1.3. it to the Effective Date, the Articles of Incorporation of OCHI provided for common stock and preferred stock. Pursuant to subsection 2.1, the Surviving Corporation will have no authority to issue preferred stock following the merger, and no such preferred stock will be outstanding.

3.2. **Adjustment of Conversion Ratio** . If, between the date of this Agreement and the Effective Date, MPG or OCHI reclassifies, combines, or subdivides its common or preferred stock, or declares or pays any dividend or distribution in shares of its common or preferred stock, or has agreed to do any of the foregoing as of a record date before the Effective Date, then an appropriate adjustment will be made in the number of shares of common and preferred stock of the Surviving Corporation into which MPG Shares would otherwise be converted by the merger.

3.3. **Certificates for Shares** . Except as provided in subsection 3.4 with respect to Dissenting Shares, each certificate that represented (i) MPG Shares before the Effective Date will represent the number of OCHI Shares into which such shares are converted from and after the Effective Date and (ii) OCHI Shares before the Effective Date will represent the number of OCHI Shares into which such shares are converted from and after the Effective Date. Each holder of MPG Shares and each holder of OCHI Shares that are converted in the merger into shares of common stock of the Surviving Corporation, on surrender of the certificate therefor to the Surviving Corporation, will be entitled to receive a certificate evidencing the ownership of shares of the Surviving Corporation at the Effective Date.

3.4. **Dissenting Shares** . Each Dissenting Share will be treated in accordance with the provisions of ORS 60.551–60.594 and RCW 23B.13.010–23B.13.310 relating to dissenters' rights.

SECTION 4. REPRESENTATIONS AND WARRANTIES OF MPG

As a material inducement to OCHI to enter into this Agreement and to convert the MPG Shares into shares of common stock of the Surviving Corporation, MPG hereby makes the following representations and warranties to OCHI:

4.1. **Organization; Power** . MPG is a corporation duly incorporated and legally existing under the laws of the state of Washington and is qualified to do business in every jurisdiction in which its ownership of property or conduct of business requires it to qualify. MPG has all requisite corporate power and authority and all material licenses, permits, and authorizations necessary to own and operate its properties and to carry on its respective businesses as now conducted. The copies of MPG's articles of incorporation and bylaws that have been furnished to OCHI's lawyer reflect all amendments made thereto at any time before the Effective Date and are correct and complete.

4.2. Capital Stock and Related Matters . The authorized capital stock of MPG consists of 50,000 shares of Common Stock, 400 of which are issued and outstanding and are owned, beneficially and of record by Christopher J. Shepanek, free and clear of all pledges, security interests, liens, charges, encumbrances, equities, claims, options, or limitations, including limitations affecting Christopher J. Shepanek's ability to vote MPG Shares or to convert the MPG Shares into shares of common stock of the Surviving Corporation, and no other capital stock of MPG is issued and outstanding. MPG does not have outstanding and has not agreed, orally or in writing, to issue any stock or securities convertible or exchangeable for any shares of its capital stock, nor does it have outstanding nor has it agreed, orally or in writing, to issue any options or rights to purchase or otherwise to acquire its capital stock. MPG is not subject to any obligation (contingent or otherwise) to repurchase or otherwise to acquire or retire any shares of its capital stock. MPG has not violated any applicable securities laws or regulations in connection with the offer or sale of its securities. All the outstanding shares of MPG's capital stock are validly issued, fully paid, and nonassessable. MPG has not violated or will not violate any applicable securities laws in connection with the conversion of the MPG Shares into shares of common stock of the Surviving Corporation under this Agreement.

4.3. Authorization. No Breach . The execution, delivery, and performance of this Agreement and all other agreements contemplated by this Agreement to which MPG is a party have been duly authorized by MPG. This Agreement and each other agreement contemplated by this Agreement, when executed and delivered by the parties thereto, will constitute the legal, valid, and binding obligation of MPG, enforceable against MPG in accordance with its terms, except as the enforceability thereof may be limited by the application of bankruptcy, insolvency, moratorium, or similar laws affecting the rights of creditors generally or judicial limits on equitable remedies.

4.4. Governmental Authorities . Except as set forth in Schedule 4.4, (a) MPG is not required to submit any notice, report, or other filing with any governmental or regulatory authority in connection with MPG's execution, delivery, and performance of this Agreement and the consummation of the conversion of the MPG Shares into shares of common stock of the Surviving Corporation and (b) no consent, approval, or authorization of any governmental or regulatory authority is required to be obtained by MPG in connection with MPG's execution, delivery, and performance of this Agreement and the consummation of the conversion of the MPG Shares into shares of common stock of the Surviving Corporation.

4.5. No Adverse Consequences . Neither the execution and delivery of this Agreement by MPG nor the consummation of the conversion of the MPG Shares into shares of common stock of the Surviving Corporation will (a) result in the creation or imposition of any lien, security interest, charge, or encumbrance on any of MPG's assets or properties, (b) violate or conflict with any provision of MPG's articles of incorporation or bylaws, (c) violate any law, judgment, order, injunction, decree, rule, regulation, or ruling of any governmental authority applicable to MPG, or (d) either alone or with the giving of notice or the passage of time or both, conflict with, constitute grounds for termination or acceleration of, result in the breach of the terms, conditions, or provisions of, result in the loss of any benefit to MPG under, or constitute a default under (whether by virtue of the application of a "change of control" provision or otherwise) any agreement, instrument, license, or permit to which MPG is a party or by which it is bound.

4.6. **Litigation** . Except as set forth in Schedule 4.6, (a) there are no actions, suits, proceedings, orders, investigations, or claims pending or, to MPG's knowledge, threatened against MPG or its property, at law or in equity, or before or by any governmental department, commission, board, bureau, agency, or instrumentality, (b) MPG is not subject to any arbitration proceedings under collective bargaining agreements or otherwise or, to MPG's knowledge, any governmental investigations or inquiries, and (c) to MPG's knowledge, there is no basis for any of the foregoing.

4.7. **Conduct of Business; Liabilities** . Except as set forth in Schedule 4.7, MPG is not in default under, and no condition exists that with notice or lapse of time or both would constitute a default of MPG under, (a) any mortgage, loan agreement, indenture, evidence of indebtedness, or other instrument evidencing borrowed money to which MPG is a party or by which MPG or the property of MPG is bound or (b) any by judgment, order, or injunction of any court, arbitrator, or governmental agency that would reasonably be expected to affect materially and adversely MPG's business, financial condition, or results of operations of MPG.

4.8. **Compliance with Laws** . MPG is in material compliance with all laws, statutes, ordinances, regulations, orders, judgments, or decrees applicable to it, the enforcement of which, if MPG were not in compliance therewith, would have a material adverse effect on the business of MPG. MPG has not received any notice of any asserted present or past failure by MPG to comply with such laws, statutes, ordinances, regulations, orders, judgments, or decrees.

4.9. **Financial Statements** . MPG's financial statements, true and complete copies of which have previously been delivered to OCHI, present fairly the financial position, assets and liabilities of MPG as of the dates thereof and the revenues, expenses, results of operations and cash flows of MPG for the periods covered thereby, all in accordance with generally accepted accounting principles ("GAAP") as historically applied by MPG. MPG's financial statements are in accordance with the books and records of MPG, and do not reflect any transactions which are not bona fide transactions. The books and records of MPG have been maintained in accordance with applicable laws, rules and regulations, and in the ordinary course of business. The accounts and notes receivable of MPG reflected in MPG's financial statements are valid, existing and genuine and represent sales actually made or services actually delivered by MPG, in bona fide transactions in the ordinary course of business consistent with past practice; and there is no material right of set-off or counterclaim or threat thereof that would jeopardize the collectability of such accounts and notes receivable at the aggregate recorded amounts thereof.

4.10. **Accuracy of Representation and Warranties** . None of the representations or warranties of MPG contain any untrue statement of a material fact or omit or will omit or misstate a material fact necessary to make the statements contained in this Agreement not misleading.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF OCHI

5.1. **Organization; Power** . OCHI is a corporation duly incorporated and legally existing under the laws of the state of Oregon and is qualified to do business in every jurisdiction in which its ownership of property or conduct of business requires it to qualify. OCHI has all requisite corporate power and authority and all material licenses, permits, and authorizations

necessary to own and operate its properties and to carry on its respective businesses as now conducted. The copies of OCHI's articles of incorporation and bylaws that have been furnished to MPG reflect all amendments made thereto at any time before the Effective Date and are correct and complete.

5.2. Capital Stock and Related Matters . The authorized capital stock of OCHI consists of 10,000,000 shares of common stock and 10,000,000 of preferred stock, 439,087 shares of common stock and 3,410 shares of preferred stock of which are issued and outstanding and are owned, beneficially and of record, free and clear of all pledges, security interests, liens, charges, encumbrances, equities, claims, options, or limitations, including limitations affecting OCHI's shareholders' ability to vote OCHI Shares or to convert the MPG Shares into shares of common stock of the Surviving Corporation, and no other capital stock of OCHI is issued and outstanding. OCHI does not have outstanding and has not agreed, orally or in writing, to issue any stock or securities convertible or exchangeable for any shares of its capital stock, nor does it have outstanding nor has it agreed, orally or in writing, to issue any options or rights to purchase or otherwise to acquire its capital stock. OCHI is not subject to any obligation (contingent or otherwise) to repurchase or otherwise to acquire or retire any shares of its capital stock. OCHI has not violated any applicable securities laws or regulations in connection with the offer or sale of its securities. All the outstanding shares of OCHI's capital stock are validly issued, fully paid, and nonassessable. OCHI has not violated or will not violate any applicable securities laws in connection with the conversion of the MPG Shares into shares of common stock of the Surviving Corporation under this Agreement.

5.3. Authorization; No Breach . The execution, delivery, and performance of this Agreement and all other agreements contemplated by this Agreement to which OCHI is a party have been duly authorized by OCHI. This Agreement and each other agreement contemplated by this Agreement, when executed and delivered by the parties thereto, will constitute the legal, valid, and binding obligation of OCHI, enforceable against OCHI in accordance with its terms, except as the enforceability thereof may be limited by the application of bankruptcy, insolvency, moratorium, or similar laws affecting the rights of creditors generally or judicial limits on equitable remedies.

5.4. Governmental Authorities . (a) OCHI is not required to submit any notice, report, or other filing with any governmental or regulatory authority in connection with OCHI's execution, delivery, and performance of this Agreement and the consummation of the conversion of the MPG Shares into shares of common stock of the Surviving Corporation and (b) no consent, approval, or authorization of any governmental or regulatory authority is required to be obtained by OCHI in connection with OCHI's execution, delivery, and performance of this Agreement and the consummation of the conversion of the MPG Shares into shares of common stock of the Surviving Corporation.

5.5. Conduct of Business; Liabilities . Except as set forth in Schedule 5.5, OCHI is not in default under, and no condition exists that with notice or lapse of time or both would constitute a default of OCHI under, (a) any mortgage, loan agreement, indenture, evidence of indebtedness, or other instrument evidencing borrowed money to which OCHI is a party or by which OCHI or the property of OCHI is bound or (b) any judgment, order, or injunction of any court, arbitrator, or governmental agency that would reasonably be expected to affect materially and adversely OCHI's business, financial condition, or results of operations of OCHI.

5.6. No Adverse Consequences . Neither the execution and delivery of this Agreement by OCHI nor the consummation of the conversion of the MPG Shares into shares of common stock of the Surviving Corporation will (a) result in the creation or imposition of any lien, security interest, charge, or encumbrance on any of OCHI's assets or properties, (b) violate or conflict with any provision of OCHI's articles of incorporation or bylaws, (c) violate any law, judgment, order, injunction, decree, rule, regulation, or ruling of any governmental authority applicable to OCHI, or (d) either alone or with the giving of notice or the passage of time or both, conflict with, constitute grounds for termination or acceleration of, result in the breach of the terms, conditions, or provisions of, result in the loss of any benefit to OCHI under, or constitute a default under (whether by virtue of the application of a "change of control" provision or otherwise) any agreement, instrument, license, or permit to which OCHI is a party or by which it is bound.

5.7. Litigation . Except as set forth in Schedule 5.7, (a) there are no actions, suits, proceedings, orders, investigations, or claims pending or, to OCHI's knowledge, threatened against OCHI or its property, at law or in equity, or before or by any governmental department, commission, board, bureau, agency, or instrumentality, (b) OCHI is not subject to any arbitration proceedings under collective bargaining agreements or otherwise or, to OCHI's knowledge, any governmental investigations or inquiries, and (c) to OCHI's knowledge, there is no basis for any of the foregoing.

5.8. Compliance with Laws . OCHI is in material compliance with all laws, statutes, ordinances, regulations, orders, judgments, or decrees applicable to it, the enforcement of which, if OCHI were not in compliance therewith, would have a material adverse effect on the business of OCHI. OCHI has not received any notice of any asserted present or past failure by OCHI to comply with such laws, statutes, ordinances, regulations, orders, judgments, or decrees.

5.9. Financial Statements . OCHI's financial statements, true and complete copies of which have previously been delivered to MPG, present fairly the financial position, assets and liabilities of OCHI as of the dates thereof and the revenues, expenses, results of operations and cash flows of OCHI for the periods covered thereby, all in accordance with GAAP, as historically applied by OCHI. OCHI's financial statements are in accordance with the books and records of OCHI, and do not reflect any transactions which are not bona fide transactions. The books and records of OCHI have been maintained in accordance with applicable laws, rules and regulations, and in the ordinary course of business. The accounts and notes receivable of OCHI reflected in OCHI's financial statements are valid, existing and genuine and represent sales actually made or services actually delivered by OCHI, in bona fide transactions in the ordinary course of business consistent with past practice; and there is no material right of set-off or counterclaim or threat thereof that would jeopardize the collectability of such accounts and notes receivable at the aggregate recorded amounts thereof.

5.10. Accuracy of Representations and Warranties . Neither this Agreement nor any of the schedules, attachments, certificates, or other items prepared or supplied to MPG by or on behalf of OCHI with respect to the conversion of the MPG Shares into shares of common stock of the Surviving Corporation contain any untrue statement of a material fact or omit a material fact necessary to make each statement contained herein or therein not misleading.

SECTION 6. COVENANTS OF OCHI

From the date of this Agreement until the Effective Date and except as otherwise consented to or approved by MPG, OCHI covenants and agrees with MPG as follows:

6.1. **Regular Course of Business** . OCHI will operate its business in accordance with the reasonable judgment of its management diligently and in good faith, consistent with past management practices, and OCHI will continue to use its reasonable efforts to keep available the services of current officers and employees (other than planned retirements) and to preserve its current relationships with persons having business dealings with it.

6.2. **Dividends** . OCHI will not declare, pay, or set aside for payment any dividend or other distribution in respect of the OCHI Shares beyond those approved prior to the Effective Date.

6.3. **Capital Changes** . OCHI will not issue any shares of its capital stock, or issue or sell any securities convertible into, or exchangeable for, or options, warrants to purchase, or rights to subscribe to, any shares of its capital stock or subdivide or in any way reclassify any shares of its capital stock, or repurchase, reacquire, cancel, or redeem any such shares or agree to do the foregoing.

6.4. **Property and Assets** . The assets, property, and rights now owned by OCHI will be used, preserved, and maintained, as far as practicable, in the ordinary course of business, to the same extent and in the same condition as such assets, property, and rights are on the date of this Agreement, and no unusual or novel methods of manufacture, purchase, sale, management, or operation of such properties or business or accumulation or valuation of inventory will be made or instituted. Without MPG's prior consent, OCHI will not sell, transfer, or encumber any of its assets or make any commitments relating to such assets, property, or business, except in the ordinary course of its business.

6.5. **Insurance** . OCHI will keep, or cause to be kept in effect and undiminished the insurance now in effect on its various properties and assets.

6.6. **Employees** . OCHI will not grant to any employee any promotion, any increase in compensation, or any bonus or other award other than promotions, increases, or awards that are regularly scheduled in the ordinary course of business or contemplated on the date of this Agreement or that are, in the reasonable judgment of OCHI's management, in OCHI's best interests.

6.7. **No Violations** . OCHI will comply in all material respects with all statutes, laws, ordinances, rules, and regulations applicable to it in the ordinary course of business.

6.8. **Satisfaction of Conditions** . OCHI will use reasonable efforts to obtain as promptly as practicable the satisfaction of the conditions to the closing set forth in Section 8 and any necessary consents or waivers under or amendments to agreements by which OCHI is bound.

6.9. **Notifications** . OCHI will notify MPG promptly of any material change in the OCHI's business, results of operations, financial position, assets, or prospects before the Effective Date.

6.10. **Supplements to Schedules** . Before the Effective Date, OCHI will supplement or amend the Schedules to this Agreement with respect to any matter arising after the date of this Agreement that, if existing or occurring at or before the date of this Agreement, would have been required to be set forth or described in such Schedule. No supplement or amendment to any Schedule made pursuant to this subsection 6.10 will be deemed to cure any breach of any representation or warranty made in this Agreement unless MPG specifically agrees in writing.

SECTION 7. COVENANTS OF MPG

MPG covenants and agrees with OCHI as follows:

7.1. **Regular Course of Business** . MPG will operate its business in accordance with the reasonable judgment of its management diligently and in good faith, consistent with past management practices, and MPG will continue to use its reasonable efforts to keep available the services of current officers and employees (other than planned retirements) and to preserve its current relationships with persons having business dealings with it.

7.2. **Dividends** . MPG will not declare, pay, or set aside for payment any dividend, or other distribution in respect of the MPG Shares beyond those approved prior to the Effective Date.

7.3. **Capital Changes** . MPG will not issue any shares of its capital stock, or issue or sell any securities convertible into, or exchangeable for, or options, warrants to purchase, or rights to subscribe to, any shares of its capital stock or subdivide or in any way reclassify any shares of its capital stock, or repurchase, reacquire, cancel, or redeem any such shares or agree to do the foregoing except for those redemptions of minority shareholders in MPG that have been approved by MPG prior to the Effective Date.

7.4. **Property and Assets** . The assets, property, and rights now owned by MPG will be used, preserved, and maintained, as far as practicable, in the ordinary course of business, to the same extent and in the same condition as such assets, property, and rights are on the date of this Agreement, and no unusual or novel methods of manufacture, purchase, sale, management, or operation of such properties or business or accumulation or valuation of inventory will be made or instituted. Without OCHI's prior consent, MPG will not sell, transfer, or encumber any of its assets or make any commitments relating to such assets, property, or business, except in the ordinary course of its business.

7.5. **Insurance** . MPG will keep or cause to be kept in effect and undiminished the insurance now in effect on its various properties and assets.

7.6. **Employees** . MPG will not grant to any employee any promotion, any increase in compensation, or any bonus or other award other than promotions, increases, or awards that are regularly scheduled in the ordinary course of business or contemplated on the date of this Agreement or that are, in the reasonable judgment of MPG's management, in MPG's best interests.

7.7. **No Violations** . MPG will comply in all material respects with all statutes, laws, ordinances, rules, and regulations applicable to it in the ordinary course of business.

7.8. **Notification** . MPG will notify OCHI promptly of any material change in MPG's business, results of operations, financial position, assets, or prospects before the Effective Date.

7.9. **Satisfaction of Conditions** . MPG will use reasonable efforts to obtain as promptly as practicable the satisfaction of the conditions to the closing set forth in Section 8 and any necessary consents or waivers under or amendments to agreements by which MPG is bound.

7.10. **Supplements to Schedules** . Before the Effective Date, MPG will supplement or amend the Schedules to this Agreement with respect to any matter arising after the date of this Agreement that, if existing or occurring at or before the date of this Agreement, would have been required to be set forth or described in such Schedule. No supplement or amendment to any Schedule made pursuant to this subsection 7.10 will be deemed to cure any breach of any representation or warranty made in this Agreement unless OCHI specifically agrees in writing.

SECTION 8. CONDITIONS

8.1. **Conditions to Obligation of MPG** . The obligation of MPG to effect the merger is subject to the satisfaction or waiver of each of the following conditions:

8.1.1. The representations and warranties of OCHI set forth in Section 5 will be true and correct at the Effective Date as though made on and as of the Effective Date, and all obligations and covenants of OCHI required under this Agreement to be performed before the Effective Date have been performed.

8.1.2. There will not have been any material adverse change in the business or financial condition of OCHI from the date of this Agreement through the Effective Date.

8.1.3. This Agreement will have been duly approved by the board of directors of MPG in accordance with the Oregon Business Corporation Act.

8.1.4. This Agreement will have been approved by the holders of a majority of the outstanding shares of common stock of MPG entitled to vote on the matter and by the holders of a majority of the outstanding shares of common stock of OCHI entitled to vote on the matter in accordance with the Oregon Business Corporation Act.

8.2. **Conditions to Obligation of OCHI** . The obligation of OCHI to effect the merger is subject to the satisfaction or waiver of each of the following conditions:

8.2.1. The representations and warranties of MPG set forth in Section 4 will be true and correct at the Effective Date as though made on and as of the Effective Date, and all obligations and covenants of MPG required under this Agreement to be performed before the Effective Date will have been performed.

8.2.2. There will not have been any material adverse change in the business or financial condition of MPG from the date of this Agreement through the Effective Date.

8.2.3. This Agreement will have been duly approved by the board of directors of OCHI in accordance with the Washington Business Corporation Act.

8.2.4. This Agreement will have been approved by the holders of a majority of the outstanding shares of common stock of MPG entitled to vote on the matter and by the holders of a majority of the outstanding shares of common stock of OCHI entitled to vote on the matter in accordance with the Oregon Business Corporation Act.

SECTION 9. TERMINATION

9.1. Failure of Shareholder Approval . This Agreement will automatically terminate in the event that it is brought to a vote and not adopted by the holders of a majority of the outstanding shares of common stock of either MPG or OCHI, respectively, entitled to vote thereon at a meeting called for such purpose in accordance with the Acts.

9.2. Other Termination . This Agreement may be terminated and the merger abandoned at any time before the Effective Date, whether before or after submission to or approval by the shareholders of either of the Constituent Corporations:

9.2.1. By mutual agreement of the boards of directors of MPG and OCHI;

9.2.2. By the board of directors of MPG if any condition provided in subsection 8.1 has not been satisfied or waived on or before the Effective Date;

9.2.3. By the board of directors of OCHI if any condition provided in subsection 8.2 has not been satisfied or waived on or before the Effective Date;

9.2.4. By the board of directors of either MPG or OCHI (but only if the terminating party is not then in material breach of any representation, warranty, covenant, or other agreement contained in this Agreement) if there has been a material breach of any of the covenants or agreements or any of the representations or warranties set forth in this Agreement on the part of the other party, which breach is not cured within ten (10) days after written notice to the party committing the breach, or which breach, by its nature, cannot be cured before the closing; or

9.2.5. By the board of directors of either MPG or OCHI if the closing of the merger has not occurred on or before January 31, 2008, unless the failure of the closing to occur by that date is due to the breach by the party seeking to terminate this Agreement of any representation, warranty, covenant, or other agreement of that party set forth in this Agreement.

9.3. **Effect of Termination** . If this Agreement is terminated as provided in Section 9, this Agreement will become wholly void and of no effect, each party will bear its own expenses, and, except for the liability of a party whose material breach of any of the covenants, agreements, representations, or warranties set forth in this Agreement has occasioned the termination of this Agreement by the nondefaulting party, there will be no liability or obligation on the part of either party.

SECTION 10. MISCELLANEOUS PROVISIONS

10.1. **Waivers** . Each party, by written instrument, may extend the time for performing any of the obligations or other acts of the other party, waive any inaccuracies of the representations and warranties of the other party, waive compliance with any of the covenants of the other party, waive performance of any of the obligations of the other party set forth in this Agreement, or waive any condition to its obligation to the effect the merger other than the conditions contained in subsections 8.1.3., 8.1.4., 8.2.3. and 8.2.4.

10.2. **Survival** . None of the representations, warranties, covenants, and agreements in this Agreement, including any rights arising out of any breach of such representations, warranties, covenants, and agreements, will survive the Effective Date, except for those covenants and agreements that by their express terms apply in whole or in part after the Effective Date.

10.3. **Amendment** . This Agreement may be amended at any time before the Effective Date, whether before or after the meetings of the shareholders of the respective Constituent Corporations, with approval of respective board of directors of the Constituent Corporations, as long as the amendment will not change the conversion ratios set forth in subsection 3.1 without the approval of the shareholders of the Constituent Corporations.

10.4. **Expenses** . Each party will pay the expenses incurred by it in connection with the transactions contemplated hereby.

10.5. **Time is of the Essence**. Time is expressly made of the essence of each provision of this Agreement.

10.6. **Notice** . Any notice required or permitted under this Agreement shall be in writing and shall be given when actually delivered in person or, forty-eight (48) hours after having been deposited in the United States mail as certified or registered mail addressed to the addresses set forth below, or to such other address as one party may indicate by written notice to the other party:

MPG: MPG, Inc.
1200 NW Naito Parkway, Suite 690
Portland, OR 97209-2800
Attention: Christopher J. Shepanek
Telephone Number: (503) 702-5440
Facsimile Number: (503) 228-5227
E-mail address: chriss@oilcanhenry.com

OCHI: OCH International, Inc. an Oregon corporation,
or its assignee
1200 NW Naito Parkway, Suite 690
Portland, OR 97209
Attention: John A. Ayres Jr., President
Telephone Number: (503) 243-6311
Facsimile Number: (503) 228-5227
E-mail address: johna@oilcanhenry.com

10.7. **Attorney Fees and Costs** . In the event legal action is commenced in connection with this Agreement, the prevailing party in such action shall be entitled to recover its reasonable attorney fees and costs incurred therein.

10.8. **Amendments** . This Agreement may be amended, modified or extended without new consideration but only by written instrument executed by both parties.

10.9. **Governing Law** . This Agreement shall be construed in accordance with and governed by the laws of the State of Oregon.

10.10. **Binding Effect** . The covenants, conditions and terms of this Agreement shall extend to and be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

10.11. **Execution in Counterparts** . This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute but one and the same agreement.

10.12. **Representation** . The Constituent Corporations acknowledge and agree that the law firm of Bateman Seidel represents only OCHI in connection with the merger and in connection with the preparation and execution of this Agreement. MPG acknowledges that it has been advised to obtain independent legal counsel in connection with this Agreement. Neither MPG nor the shareholders of the Constituent Corporations should execute or approve this Agreement without consulting with independent counsel.

The parties enter into this Agreement as of the date set forth above.

OCH INTERNATIONAL, INC. , an Oregon corporation

MPG, INC. , a Washington corporation

By: /s/ John A. Ayres

By: /s/ Christopher J. Shepanek

John A. Ayres, Jr., President

Christopher J. Shepanek, President

SCHEDULE 4.4

Governmental/Regulatory Filing Requirements Relating to MPG

None.

Schedule 4.4 to AGREEMENT AND PLAN OF MERGER

SCHEDULE 4.6

Litigation Information Relating to MPG

None.

Schedule 4.6 to AGREEMENT AND PLAN OF MERGER

SCHEDULE 4.7

Conduct of Business; Liabilities Relating to MPG

None.

Schedule 4.7 to AGREEMENT AND PLAN OF MERGER

SCHEDULE 5.5

Conduct of Business; Liabilities Relating to OCHI

None.

Schedule 5.5 to AGREEMENT AND PLAN OF MERGER

SCHEDULE 5.7

Litigation Information Relating to OCHI

None.

Schedule 5.7 to AGREEMENT AND PLAN OF MERGER

**JOINT CONSENT OF THE BOARD OF DIRECTORS
AND SHAREHOLDERS OF OCH INTERNATIONAL, INC.
IN LIEU OF SPECIAL MEETING**

WHEREAS, ORS 60.341 provides that any action required or permitted to be taken by the Board of Directors of OCH International, Inc., an Oregon corporation ("Corporation"), may be taken without a meeting if the action so taken is evidenced by one or more written consents describing the action taken and signed by each director;

WHEREAS, ORS 60.211 provides that any action required or permitted to be taken at a meeting of the shareholders of the Corporation may be taken without a meeting if the action so taken is evidenced by one or more written consents describing the action taken and signed by each shareholder;

WHEREAS, the Board of Directors (the "Board") has considered a proposed Agreement and Plan of Merger by the Corporation and MPG, Inc., a Washington corporation (the "Merging Corporation"), pursuant to which the Merging Corporation shall be merged with and into the Corporation (the "Merger") and the separate existence of the Merging Corporation shall cease; and

WHEREAS, the Board has determined that the Merger is in the best interests of the Corporation and its shareholders;

NOW, THEREFORE, BE IT RESOLVED, that the Agreement and Plan of Merger, in substantially the form delivered to and considered by the Board, be, and it hereby is, approved and adopted, with such modifications, amendments and changes thereto as Christopher J. Shepanek, the Chief Executive Officer of the Corporation, deems necessary and appropriate, and that the Chief Executive Officer of the Corporation and such other officers as he may designate be, and each of them hereby is, authorized and directed to execute and deliver the Agreement and Plan of Merger and to execute and file Articles of Merger on behalf of the Corporation;

RESOLVED FURTHER, that the shareholders of the Corporation approve the Agreement and Plan of Merger insofar as it relates to the Corporation and authorizes the Corporation to take such further action as may be necessary or appropriate in connection with the Agreement and Plan of Merger;

RESOLVED FURTHER, that Christopher J. Shepanek, as the Chief Executive Officer of the Corporation, be, and he hereby is, authorized and directed, for and on behalf of the Corporation, or otherwise, to execute all such instruments, documents, certificates and ancillary agreements and to take all such other actions in connection with the resolutions hereinabove adopted as they may deem necessary, advisable or proper to effectuate the intent and purposes of these resolutions;

RESOLVED FURTHER, that all actions heretofore taken by any officer or director of the Corporation in connection with the matters referred to in the foregoing resolutions, be, and they hereby are, ratified and approved in all respects; and

RESOLVED FURTHER, that this Joint Consent by the Board and shareholders shall be effective as of January 21, 2008, notwithstanding the actual date of signing by the members of the Board and the shareholders.

DIRECTORS:

/s/ John E. Shepanek

John E. Shepanek

/s/ Christopher J. Shepanek

Christopher J. Shepanek

/s/ John A. Ayres Jr.

John A. Ayres Jr.

/s/ John Winter

John Winter

SHAREHOLDERS

/s/ Christopher J. Shepanek

Christopher J. Shepanek

/s/ John E. Shepanek

John E. Shepanek, Trustee of the John E.
Shepanek Living Trust

/s/ Sandra K. Shepanek

Sandra K. Shepanek, Trustee of the Sandra K.
Shepanek Living Trust

/s/ Sandra K. Shepanek

Sandra K. Shepanek

WAIVER OF STATUTORY NOTICES

The undersigned shareholders, by affixing their signatures below, hereby knowingly and expressly waive their statutory right to notice of a meeting of the proposed merger, as required by ORS 60.487, waive their statutory right to receive notice of their dissenters' rights, as required by ORS 60.561, and waive their right to give notice to demand payment based on dissenters' rights pursuant to ORS 60.564.

/s/ Christopher J. Shepanek

Christopher J. Shepanek

/s/ Sandra K. Shepanek

Sandra K. Shepanek, Trustee of the Sandra K.
Shepanek Living Trust

/s/ John E. Shepanek

John E. Shepanek, Trustee of the John E.
Shepanek Living Trust

/s/ Sandra K. Shepanek

Sandra K. Shepanek

SUMMARY OF VOTING

439,087	3,410	439,087	- 0-	3,410	- 0-
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I CHRISTOPHER J. SHEPANEK, Chief Executive Officer of OCH International, Inc., hereby certify to the foregoing vote.

/s/ Christopher J. Shepanek
Christopher J. Shepanek,
Chief Executive Officer of OCH
International, Inc.

SUMMARY OF VOTING

**JOINT CONSENT OF THE BOARD OF DIRECTORS
AND SOLE SHAREHOLDER OF MPG, INC.
IN LIEU OF SPECIAL MEETING**

The undersigned, being the sole director and the sole shareholder of MPG, Inc., a Washington corporation (the "Corporation"), hereby authorizes, consents to and adopts the corporate actions described in the resolutions set forth below, without the necessity of a meeting as authorized by RCW 23B.08.210 and RCW 23B.07 of the Washington Business Corporation Act, and the same shall be fully effective and valid as the actions of the director and the shareholder as though a meeting had, in fact, been held:

WHEREAS, the Board of Directors (the "Board") has considered a proposed Agreement and Plan of Merger by the Corporation and OCH International, Inc., an Oregon corporation (the "Surviving Corporation"), pursuant to which the Corporation shall be merged with and into the Surviving Corporation (the "Merger") and the separate existence of the Corporation shall cease;

WHEREAS, the Board has determined that the Merger is in the best interests of the Corporation and its shareholder;

NOW, THEREFORE, BE IT RESOLVED, that the Agreement and Plan of Merger, in substantially the form delivered to and considered by the Board, be, and it hereby is, approved and adopted, with such modifications, amendments and changes thereto as the President of the Corporation deems necessary and appropriate, and that the President of the Corporation and such other officers as he may designate be, and each of them hereby is, authorized and directed to execute and deliver the Agreement and Plan of Merger and to execute and file Articles of Merger on behalf of the Corporation;

RESOLVED FURTHER, that the sole shareholder of the Corporation approves the Agreement and Plan of Merger insofar as it relates to the Corporation and authorizes the Corporation to take such further action as may be necessary or appropriate in connection with the Agreement and Plan of Merger;

RESOLVED FURTHER, that Christopher J. Shepanek, as the President of the Corporation, be, and he hereby is, authorized and directed, for and on behalf of the Corporation, or otherwise, to execute all such instruments, documents, certificates and ancillary agreements and to take all such other actions in connection with the resolutions hereinabove adopted as they may deem necessary, advisable or proper to effectuate the intent and purposes of these resolutions; and

RESOLVED FURTHER, that all actions heretofore taken by any officer or director of the Corporation in connection with the matters referred to in the foregoing resolutions, be, and they hereby are, ratified and approved in all respects.

The execution of this Joint Consent shall constitute written waiver of any notice required by the Washington Business Corporation Act and the Corporation's Articles of Incorporation and Bylaws.

DATED effective as of January 21, 2008.

/s/ Christopher J. Shepanek
Christopher J. Shepanek, Sole Director and
Sole Shareholder

WAIVER OF STATUTORY NOTICES

The undersigned shareholder, by affixing his signature below, hereby knowingly and expressly waives his statutory right to notice of a meeting of the proposed merger, as required by RCW 23B.11.030, waives his statutory right to receive notice of his dissenters' rights, as required by RCW 23B.13.200, and waives his right to give notice to demand payment based on dissenters' rights pursuant to RCW 23B.13.220.

/s/ Christopher J. Shepanek
Christopher J. Shepanek

SUMMARY OF VOTING

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400

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I, CHRISTOPHER J. SHEPANEK, President of MPG, Inc., hereby certify to the foregoing vote.

/s/ Christopher J. Shepanek

Christopher J. Shepanek, President of MPG, Inc.

SUMMARY OF VOTING

Secretary of State
 Corporation Division
 255 Capitol St. NE, Suite 151
 Salem, OR 97310-1327
 FilingInOregon.com - Phone: (503) 986-2200

S U R V I V O R
 R E G I S T R Y N U M B E R : 118156-85

In accordance with Oregon Revised Statute 192.410-192.490, the information on this application is public record.
 We must release this information to all parties upon request and it will be posted on our website.

For office use only

Please Type or Print Legibly in Black Ink. Attach Additional Sheet if Necessary.

1) N A M E S A N D T Y P E S O F T H E E N T I T I E S P R O P O S I N G T O M E R G E :

N A M E :	T Y P E :	R E G I S T R Y N U M B E R :
OCH International, Inc.	corporation	118156-85
Northwest Development Group, LLC	limited liability company	504947-81

2) N A M E A N D T Y P E O F T H E S U R V I V I N G E N T I T Y : OCH International, Inc., an Oregon corporation

Check here if there is a name change in this plan of merger

3) A C O P Y O F T H E M E R G E R P L A N I S A T T A C H E D , S e e O R S 60.481(2)

4) T H E P L A N O F M E R G E R W A S D U L Y A U T H O R I Z E D A N D A P P R O V E D B Y E A C H E N T I T Y T H A T I S A P A R T Y T O T H E M E R G E R :

A copy of the vote required by each entity is attached.

OR;

Shareholder approval was not required.

5) E X E C U T I O N : (Must be signed by an officer or director for a corporation, a member or manager for a limited liability company, a general partner for a limited partnership, or a partner for a limited liability partnership.)

By my signature, I declare as an authorized authority, that this filing has been examined by me and is, to the best of my knowledge and belief, true, correct, and complete. Making false statements in this document is against the law and may be penalized by fines, imprisonment or both.

Signature
/s/ Christopher J. Shepanek

Printed Name:
Christopher J. Shepanek

Title:
Chief Executive Officer
of OCH International, Inc.

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (“**Agreement**”), dated effective as of the Effective Date (as hereinafter defined), is between OCH INTERNATIONAL, INC., an Oregon corporation (“**OCHI**”), and NORTHWEST DEVELOPMENT GROUP, LLC, an Oregon limited liability company (“**NW Development**”); OCHI and NW Development are hereinafter sometimes referred to collectively as the “**Constituent Entities**.”

RECITALS

The Constituent Entities desire to effect a merger on the terms set forth in this Agreement pursuant to the provisions of the Oregon Business Corporation Act and the Oregon Limited Liability Company Act (collectively, the “**Acts**”).

AGREEMENT

NOW, THEREFORE, based upon the foregoing Recitals and the mutual covenants hereinafter set forth, the Constituent Entities agree as follows:

SECTION 1. MERGER OF CONSTITUENT ENTITIES

1.1. **Merger**. At the Effective Date, NW Development will be merged with and into OCHI, the separate existence of NW Development will cease and OCHI will survive as a corporation under the name “OCH International; Inc.” (the “**Surviving Corporation**”) organized under and governed by the laws of the state of Oregon. From that time, the Surviving Corporation, to the extent consistent with its articles of incorporation, as altered by the merger, will possess all the rights, privileges, immunities, and franchises of each of the Constituent Entities, all property belonging to NW Development will be transferred, by operation of law, to and vested in the Surviving Corporation without further act or deed, and the Surviving Corporation will be responsible for all liabilities of each of the Constituent Entities, all in the manner and with the effect set forth in ORS 60.497 and ORS 63.497.

1.2. **Further Assurances**. From time to time after the Effective Date, Christopher J. Shepanek, the sole Member of NW Development (the “**Member**”), will execute and deliver such deeds and other instruments and will cause to be taken such further actions, as will reasonably be necessary, in order to vest or perfect in the Surviving Corporation title to and possession of all the property, interests, assets, rights, privileges, immunities, and franchises of NW Development.

1.3. **Effective Date**. The merger of NW Development and OCHI will become effective either on the date of the filing of Articles of Merger pursuant to ORS 60.494 or November 30, 2012, whichever is later (the “**Effective Date**”).

1.4. **Closing**. Subject to the satisfaction of the conditions set forth in Section 8, the closing of the contemplated transactions will occur at the offices of Bateman Seidel, 888 SW Fifth Avenue, Suite 1250, Portland, Oregon 97204, at 10:00 a.m. on the Effective Date, or at such other time and place mutually agreed upon by the Constituent Entities. At that time, the parties will cause Articles of Merger to be filed in Oregon and the merger will become effective.

SECTION 2. ARTICLES OF INCORPORATION, BYLAWS, DIRECTORS, AND OFFICERS

At the Effective Date:

2.1. **Articles of Incorporation** . The Articles of Incorporation of OCHI, as amended up to the Effective Date, will be the Articles of Incorporation of the Surviving Corporation until further amended in accordance with applicable law.

2.2. **Amended and Restated Bylaws** . The Amended and Restated Bylaws of OCHI in effect immediately before the Effective Date will be the bylaws of the Surviving Corporation until amended or repealed.

2.3. **Directors and Officers** . The Board of Directors of the Surviving Corporation will consist of Christopher J. Shepanek and John E. Shepanek. John E. Shepanek is the Chairman of the Board of the Surviving Corporation and Christopher J. Shepanek is the Chief Executive Officer, President and Secretary of the Surviving Corporation; and they will hold those offices at the pleasure of the Board of Directors of the Surviving Corporation.

SECTION 3. MANNER AND BASIS OF CONVERTING MEMBERSHIP INTERESTS

3.1. **Conversion of Membership Interests and Shares** . At the Effective Date:

3.1.1. The Membership Interests of NW Development (“ **NW Development Membership Interests** ”) are owned by the Member and will be converted into 183,875.01 shares of fully paid and nonassessable common stock of the Surviving Corporation.

3.1.2. Each share of common stock of OCHI (“ **OCH Shares** ”) that is issued and outstanding immediately before the Effective Date, other than Dissenting Shares to which a dissenting shareholder has taken the actions required by ORS 60.551-60.594 relating to dissenters’ rights, will be converted into one share of fully paid and nonassessable common stock of the Surviving Corporation that is issued and outstanding immediately before the Effective Date.

3.2. **Adjustment of Conversion Ratio** . If, between the date of this Agreement and the Effective Date, (a) NW Development pays a distribution or (b) OCHI reclassifies, combines, or subdivides its common stock or pays a distribution or declares or pays any dividend or distribution in shares of its common stock, or NW Development or OCHI agreed to do any of the foregoing as of a record date before the Effective Date, then an appropriate adjustment will be made in the number of shares of common stock of the Surviving Corporation into which NW Development Membership Interests would otherwise be converted by the merger.

3.3. **Certificates for Shares** . Except as provided in subsection 3.4, with respect to Dissenting Shares, each certificate that represents OCHI Shares before the Effective Date will represent the number of OCHI Shares into which such shares are converted from and after the Effective Date. Each holder of NW Development Membership Interests and each holder OCHI Shares that are converted in the merger into shares of common stock of the Surviving Corporation, on surrender of the certificate therefor to the Surviving Corporation (if applicable), will be entitled to receive a certificate evidencing the ownership of shares of the Surviving Corporation at the Effective Date.

3.4. **Dissenting Shares** . Each Dissenting Share will be treated in accordance with the provisions of ORS 60.551-60.594 relating to dissenters' rights.

SECTION 4. REPRESENTATIONS AND WARRANTIES OF NW DEVELOPMENT

As a material inducement to OCHI to enter into this Agreement and to convert the NW Development Membership Interests into shares of common stock of the Surviving Corporation, NW Development hereby makes the following representations and warranties to OCHI:

4.1. **Organization; Power** . NW Development is a limited liability company duly organized and validly existing under the laws of the state of Oregon and is qualified to do business in every jurisdiction in which its ownership of property or conduct of business requires it to qualify. NW Development has all requisite limited liability company power and authority and all material licenses, permits, and authorizations necessary to own and operate its properties and to carry on its respective businesses as now conducted. The copies of NW Development's articles of organization and operating agreement that have been furnished to OCHI's lawyer reflect all amendments made thereto at any time before the Effective Date and are correct and complete.

4.2. **NW Development Membership Interests and Related Matters** . All of the NW Development Membership Interests are owned, beneficially and of record by the Member, free and clear of all pledges, security interests, liens, charges, encumbrances, equities, claims, options, or limitations, including limitations affecting the Member's ability to vote NW Development's Membership interests or to convert NW Development's Membership Interests into shares of common stock of the Surviving Corporation.

4.3 **Authorization . No Breach** . The execution, delivery, and performance of this Agreement and all other agreements contemplated by this Agreement to which NW Development is a party have been duly authorized by NW Development. This Agreement and each other agreement contemplated by this Agreement, when executed and delivered by the parties thereto, will constitute the legal, valid, and binding obligation of NW Development, enforceable against NW Development in accordance with its terms, except as the enforceability thereof may be limited by the application of bankruptcy, insolvency, moratorium, or similar laws affecting the rights of creditors generally or judicial limits on equitable remedies.

4.4. **Governmental Authorities** . Except as set forth in Schedule 4.4 (a) NW Development is not required to submit any notice, report, or other filing with any governmental or regulatory authority in connection with NW Development's execution, delivery, and performance of this Agreement or other filing with any governmental or regulatory authority in connection with the consummation of the conversion of the NW Development Membership Interests into shares of common stock of the Surviving Corporation and (b) no consent, approval, or authorization of any governmental or regulatory authority is required to be obtained by NW Development in connection with NW Development's execution, delivery, and performance of this Agreement and the consummation of the conversion of the NW Development Membership Interests into shares of common stock of the Surviving Corporation.

4.5. No Adverse Consequences . Neither the execution and delivery of this Agreement by NW Development nor the consummation of the conversion of the NW Development Membership Interests into shares of common stock of the Surviving Corporation will (a) result in the creation or imposition of any lien, security interest, charge, or encumbrance on any of NW Development’s assets or properties, (b) violate or conflict with any provision of NW Development’s articles of organization or operating agreement, (c) violate any law, judgment, order, injunction, decree, rule, regulation, or ruling of any governmental authority applicable to NW Development, or (d) either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination or acceleration of, result in the breach of the terms, conditions, or provisions of, result in the loss of any benefit to NW Development under, or constitute a default under (whether by virtue of the application of a “change of control” provision or otherwise) any agreement, instrument, license, or permit to which NW Development is a party or by which it is bound.

4.6. Litigation . Except as set forth in Schedule 4.6, (a) there are no actions, suits, proceedings, orders, investigations, or claims pending or, to NW Development’s knowledge, threatened against NW Development or its property, at law or in equity, or before or by any governmental department, commission, board, bureau, agency, or instrumentality, (b) NW Development is not subject to any arbitration proceedings under collective bargaining agreements or otherwise or, to NW Development’s knowledge, any governmental investigations or inquiries, and (c) to NW Development’s knowledge, there is no basis for any of the foregoing.

4.7. Conduct of Business; Liabilities . Except as set forth in Schedule 4.7, NW Development is not in default under, and no condition exists that with notice or lapse of time or both would constitute a default of NW Development under, (a) any lease, mortgage, loan agreement, indenture, evidence of indebtedness, or other instrument evidencing borrowed money to which NW Development is a party or by which NW Development or the property of NW Development is bound or (b) any judgment, order, or injunction of any court, arbitrator, or governmental agency that would reasonably be expected to affect materially and adversely NW Development’s business, financial condition, or results of operations of NW Development.

4.8. Compliance with Laws . NW Development is in material compliance with all laws, statutes, ordinances, regulations, orders, judgments, or decrees applicable to it, the enforcement of which, if NW Development were not in compliance therewith, would have a material adverse effect on the business of NW Development. NW Development has not received any notice of any asserted present or past failure by NW Development to comply with such laws, statutes, ordinances, regulations, orders, judgments, or decrees.

4.9. Financial Statements . NW Development’s financial statements, true and complete copies of which have previously been delivered to OCHI, present fairly the financial position, assets and liabilities of NW Development as of the dates thereof and the revenues, expenses, results of operations and cash flows of NW Development for the periods covered thereby, all in accordance with generally accepted accounting principles (“**GAAP**”), as historically applied by NW Development. NW Development’s financial statements are in

accordance with the books and records of NW Development and do not reflect any transactions which are not bona fide transactions. The books and records of NW Development have been maintained in accordance with applicable laws, rules and regulations, and in the ordinary course of business. The accounts and notes receivable of NW Development reflected in NW Development's financial statements are valid, existing and genuine and represent sales actually made or services actually delivered by NW Development, in bona fide transactions in the ordinary course of business consistent with past practice; and there is no material right of set-off or counterclaim or threat thereof that would jeopardize the collectability of such accounts and notes receivable at the aggregate recorded amounts thereof.

4.10. **Accuracy of Representations and Warranties** . None of the representations or warranties of NW Development contain any untrue statement of a material fact or omit or will omit or misstate a material fact necessary to make the statements contained in this Agreement not misleading.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF OCHI

5.1. **Organization; Power** . OCHI is a corporation duly incorporated and validly existing under the laws of the state of Oregon and is qualified to do business in every jurisdiction in which its ownership of property or conduct of business requires it to qualify. OCHI has all requisite corporate power and authority and all material licenses, permits, and authorizations necessary to own and operate its properties and to carry on its respective businesses as now conducted. The copies of OCHI's articles of incorporation and bylaws that have been furnished to NW Development reflect all amendments made thereto at any time before the Effective Date and are correct and complete.

5.2. **Capital Stock and Related Matters** . The authorized capital stock of OCHI consists of 10,000,000 shares of common stock, 540,068.03 shares of which are issued and outstanding and are owned, beneficially and of record, free and clear of all pledges, security interests, liens, charges, encumbrances, equities, claims, options, or limitations, including limitations affecting OCHI's shareholders' ability to vote OCHI Shares or to convert NW Development Membership Interests into shares of common stock of the Surviving Corporation, and no other capital stock of OCHI is issued and outstanding. OCHI does not have outstanding and has not agreed, orally or in writing, to issue any stock or securities convertible or exchangeable for any shares of its common stock, nor does it have outstanding nor has it agreed, orally or in writing, to issue any options or rights to purchase or otherwise to acquire its common stock. OCHI is not subject to any obligation (contingent or otherwise) to repurchase or otherwise to acquire or retire any shares of its common stock. OCHI has not violated any applicable securities laws or regulations in connection with the offer or sale of its securities. All the outstanding shares of OCHI's common stock are validly issued, fully paid, and nonassessable. OCHI has not violated or will not violate any applicable securities laws in connection with the conversion of the NW Development Membership Interests into shares of common stock of the Surviving Corporation under this Agreement.

5.3. **Authorization; No Breach** . The execution, delivery, and performance of this Agreement and all other agreements contemplated by this Agreement to which OCHI is a party have been duly authorized by OCHI. This Agreement and each other agreement contemplated

by this Agreement, when executed and delivered by the parties thereto, will constitute the legal, valid, and binding obligation of OCHI, enforceable against OCHI in accordance with its terms, except as the enforceability thereof may be limited by the application of bankruptcy, insolvency, moratorium, or similar laws affecting the rights of creditors generally or judicial limits on equitable remedies.

5.4. Governmental Authorities . (a) OCHI is not required to submit any notice, report, or other filing with any governmental or regulatory authority in connection with OCHI's execution, delivery, and performance of this Agreement and the consummation of the conversion of the NW Development Membership Interests into shares of common stock of the Surviving Corporation and (b) no consent, approval, or authorization of any governmental or regulatory authority is required to be obtained by OCHI in connection with OCHI's execution, delivery, and performance of this Agreement and the consummation of the conversion of the NW Development Membership Interests into shares of common stock of the Surviving Corporation.

5.5. Conduct of Business; Liabilities . Except as set forth in Schedule 5.5, OCHI is not in default under, and no condition exists that with notice or lapse of time or both would constitute a default of OCHI under, (a) any mortgage, loan agreement, indenture, evidence of indebtedness, or other instrument evidencing borrowed money to which OCHI is a party or by which OCHI or the property of OCHI is bound or (b) any judgment, order, or injunction of any court, arbitrator, or governmental agency that would reasonably be expected to affect materially and adversely OCHI's business, financial condition, or results of operations of OCHI.

5.6. No Adverse Consequences . Neither the execution and delivery of this Agreement by OCHI nor the consummation of the conversion of the NW Development Membership Interests into shares of common stock of the Surviving Corporation will (a) result in the creation or imposition of any lien, security interest, charge, or encumbrance on any of OCHI's assets or properties, (b) violate or conflict with any provision of OCHI's articles of incorporation or bylaws, (c) violate any law, judgment, order, injunction, decree, rule, regulation, or ruling of any governmental authority applicable to OCHI, or (d) either alone or with the giving of notice or the passage of time or both, conflict with, constitute grounds for termination or acceleration of, result in the breach of the terms, conditions, or provisions of, result in the loss of any benefit to OCHI under, or constitute a default under (whether by virtue of the application of a "change of control" provision or otherwise) any agreement, instrument, license, or permit to which OCHI is a party or by which it is bound.

5.7. Litigation . Except as set forth in Schedule 5.7, (a) there are no actions, suits, proceedings, orders, investigations, or claims pending or, to OCHI's knowledge, threatened against OCHI or its property, at law or in equity, or before or by any governmental department, commission, board, bureau, agency, or instrumentality, (b) OCHI is not subject to any arbitration proceedings under collective bargaining agreements or otherwise or, to OCHI's knowledge, any governmental investigations or inquiries, and (c) to OCHI's knowledge, there is no basis for any of the foregoing.

5.8. Compliance with Laws . OCHI is in material compliance with all laws, statutes, ordinances, regulations, orders, judgments, or decrees applicable to it, the enforcement of which, if OCHI were not in compliance therewith, would have a material adverse effect on the business of OCHI. OCHI has not received any notice of any asserted present or past failure by OCHI to comply with such laws, statutes, ordinances, regulations, orders, judgments, or decrees.

5.9. **Financial Statements** . OCHI's financial statements, true and complete copies of which have previously been delivered to NW Development, present fairly the financial position, assets and liabilities of OCHI as of the dates thereof and the revenues, expenses, results of operations and cash flows of OCHI for the periods covered thereby, all in accordance with GAAP, as historically applied by OCHI. OCHI's financial statements are in accordance with the books and records of OCHI, and do not reflect any transactions which are not bona fide transactions. The books and records of OCHI have been maintained in accordance with applicable laws, rules and regulations, and in the ordinary course of business. The accounts and notes receivable of OCHI reflected in OCHI's financial statements are valid, existing and genuine and represent sales actually made or services actually delivered by OCHI, in bona fide transactions in the ordinary course of business consistent with past practice; and there is no material right of set-off or counterclaim or threat thereof that would jeopardize the collectability of such accounts and notes receivable at the aggregate recorded amounts thereof.

5.10. **Accuracy of Representations and Warranties** . Neither this Agreement nor any of the schedules, attachments, certificates, or other items prepared or supplied to NW Development by or on behalf of OCHI with respect to the conversion of the NW Development Membership Interests into shares of common stock of the Surviving Corporation contain any untrue statement of a material fact or omit a material fact necessary to make each statement contained herein or therein not misleading.

SECTION 6. COVENANTS OF OCHI

From the date of this Agreement until the Effective Date and except as otherwise consented to or approved by NW Development, OCHI covenants and agrees with NW Development as follows:

6.1. **Regular Course of Business** . OCHI will operate its business in accordance with the reasonable judgment of its management diligently and in good faith, consistent with past management practices, and OCHI will continue to use its reasonable efforts to keep available the services of current officers and employees (other than planned retirements) and to preserve its current relationships with persons having business dealings with it.

6.2. **Dividends** . OCHI will not declare, pay, or set aside for payment any dividend or other distribution in respect of the OCHI Shares beyond those approved prior to the Effective Date.

6.3. **Capital Changes** . OCHI will not issue any shares of its common stock, or issue or sell any securities convertible into, or exchangeable for, or options, warrants to purchase, or rights to subscribe to, any shares of its common stock or subdivide or in any way reclassify any shares of its common stock, or repurchase, reacquire, cancel, or redeem any such shares or agree to do the foregoing.

6.4. **Property and Assets** . The assets, property, and rights now owned by OCHI will be used, preserved, and maintained, as far as practicable, in the ordinary course of business, to the same extent and in the same condition as such assets, property, and rights are on the date of this Agreement, and no unusual or novel methods of manufacture, purchase, sale, management, or operation of such properties or business or accumulation or valuation of inventory will be made or instituted. Without NW Development's prior consent, OCHI will not sell, transfer, or encumber any of its assets or make any commitments relating to such assets, property, or business, except in the ordinary course of its business.

6.5. **Insurance** . OCHI will keep or cause to be kept in effect and undiminished the insurance now in effect on its various properties and assets.

6.6. **Employees** . OCHI will not grant to any employee any promotion, any increase in compensation, or any bonus or other award other than promotions, increases, or awards that are regularly scheduled in the ordinary course of business or contemplated on the date of this Agreement or that are, in the reasonable judgment of OCHI's management, in OCHI's best interests.

6.7. **No Violations** . OCHI will comply in all material respects with all statutes, laws, ordinances, rules, and regulations applicable to it in the ordinary course of business.

6.8. **Satisfaction of Conditions** . OCHI will use reasonable efforts to obtain as promptly as practicable the satisfaction of the conditions to the closing set forth in Section 8 and any necessary consents or waivers under or amendments to agreements by which OCHI is bound.

6.9. **Notification** . OCHI will notify NW Development promptly of any material change in OCHI's business, results of operations, financial position, assets, or prospects before the Effective Date.

6.10. **Supplements to Schedules** . Before the Effective Date, OCHI will supplement or amend the Schedules to this Agreement with respect to any matter arising after the date of this Agreement that, if existing or occurring at or before the date of this Agreement, would have been required to be set forth or described in such Schedule. No supplement or amendment to any Schedule made pursuant to this subsection 6.10 will be deemed to cure any breach of any representation or warranty made in this Agreement unless NW Development specifically agrees in writing.

SECTION 7. COVENANTS OF NW DEVELOPMENT

NW Development covenants and agrees with OCHI as follows:

7.1. **Regular Course of Business** . NW Development will operate its business in accordance with the reasonable judgment of its management diligently and in good faith, consistent with past management practices, and NW Development will continue to use its reasonable efforts to keep available the services of any current employees (other than planned retirements) and to preserve its current relationships with persons having business dealings with it.

7.2. **Distributions** . NW Development will not declare, pay, or set aside for payment any distribution in respect of the NW Development Membership Interests beyond those approved prior to the Effective Date.

7.3. **Capital Changes** . NW Development will not issue any additional Membership Interests or issue or sell any securities convertible into, or exchangeable for, or options, warrants to purchase, or rights to subscribe to, any additional Membership Interests or subdivide or in any way reclassify any Membership Interests, or repurchase, reacquire, cancel, or redeem any Membership Interests or agree to do any of the foregoing.

7.4. **Property and Assets** . The assets, property, and rights now owned by NW Development will be used, preserved, and maintained, as far as practicable, in the ordinary course of business, to the same extent and in the same condition as such assets, property, and rights are on the date of this Agreement, and no unusual or novel methods of manufacture, purchase, sale, management, or operation of such properties or business or accumulation or valuation of inventory will be made or instituted. Without OCHI's prior consent, NW Development will not sell, transfer, or encumber any of its assets or make any commitments relating to such assets, property, or business, except in the ordinary course of its business.

7.5. **Insurance** . NW Development will keep or cause to be kept in effect and undiminished the insurance now in effect on its various properties and assets.

7.6. **Employees** . NW Development will not grant to any employee any promotion, any increase in compensation, or any bonus or other award other than promotions, increases, or awards that are regularly scheduled in the ordinary course of business or contemplated on the date of this Agreement or that are, in the reasonable judgment of NW Development's management, in NW Development's best interests.

7.7. **No Violations** . NW Development will comply in all material respects with all statutes, laws, ordinances, rules, and regulations applicable to it in the ordinary course of business.

7.8. **Notification** . NW Development will notify OCHI promptly of any material change in NW Development's business, results of operations, financial position, assets, or prospects before the Effective Date.

7.9. **Satisfaction of Conditions** . NW Development will use reasonable efforts to obtain as promptly as practicable the satisfaction of the conditions to the closing set forth in Section 8 and any necessary consents or waivers under or amendments to agreements by which NW Development is bound.

7.10. **Supplements to Schedules** . Before the Effective Date, NW Development will supplement or amend the Schedules to this Agreement with respect to any matter arising after the date of this Agreement that, if existing or occurring at or before the date of this Agreement, would have been required to be set forth or described in such Schedule. No supplement or amendment to any Schedule made pursuant to this subsection 7.10 will be deemed to cure any breach of any representation or warranty made in this Agreement unless OCHI specifically agrees in writing.

SECTION 8. CONDITIONS

8.1. **Conditions to Obligation of NW Development** . The obligation of NW Development to effect the merger is subject to the satisfaction or waiver of each of the following conditions:

8.1.1. The representations and warranties of OCHI set forth in Section 5 will be true and correct at the Effective Date as though made on and as of the Effective Date, and all obligations and covenants of OCHI required under this Agreement to be performed before the Effective Date have been performed.

8.1.2. There will not have been any material adverse change in the business or financial condition of OCHI from the date of this Agreement through the Effective Date.

8.1.3. This Agreement will have been duly approved by the Member in accordance with the Oregon Limited Liability Company Act.

8.1.4. This Agreement will have been approved by the holders of a majority of the outstanding shares of common stock of OCHI entitled to vote on the matter in accordance with the Oregon Business Corporation Act and by the Board of Directors of OCHI in accordance with the Oregon Business Corporation Act.

8.2. **Conditions to Obligation of OCHI** . The obligation of OCHI to effect the merger is subject to the satisfaction or waiver of each of the following conditions:

8.2.1. The representations and warranties of NW Development set forth in Section 4 will be true and correct at the Effective Date as though made on and as of the Effective Date, and all obligations and covenants of NW Development required under this Agreement to be performed before the Effective Date will have been performed.

8.2.2. There will not have been any material adverse change in the business or financial condition of NW Development from the date of this Agreement through the Effective Date.

8.2.3. This Agreement will have been duly approved by the Member in Accordance with the Oregon Limited Liability Company Act.

8.2.4. This Agreement will have been approved by the holders of a majority of the outstanding shares of common stock of OCHI entitled to vote on the matter in accordance with the Oregon Business Corporation Act and by the Board of Directors of OCHI in accordance with the Oregon Business Corporation Act.

SECTION 9. TERMINATION

9.1. **Failure of Shareholder or Member Approval** . This Agreement will automatically terminate in the event that it is brought to a vote and not adopted by the holders of a majority of the outstanding shares of common stock of OCHI entitled to vote thereon at a meeting called for such purpose in accordance with the Oregon Business Corporation Act or if it has not been approved by the Member in accordance with the Oregon Limited Liability Company Act.

9.2. **Other Termination** . This Agreement may be terminated and the merger abandoned at any time before the Effective Date, whether before or after submission to or approval by the shareholders of OCHI or by the Member:

9.2.1. By mutual agreement of the board of directors of OCHI and the Member;

9.2.2. By the Member if any condition provided in subsection 8.1 has not been satisfied or waived on or before the Effective Date;

9.2.3. By the board of directors of OCHI if any condition provided in subsection 8.2 has not been satisfied or waived on or before the Effective Date;

9.2.4. By the Member or the board of directors of OCHI (but only if the terminating party is not then in material breach of any representation, warranty, covenant, or other agreement contained in this Agreement) if there has been a material breach of any of the covenants or agreements or any of the representations or warranties set forth in this Agreement on the part of the other party, which breach is not cured within ten (10) days after written notice to the party committing the breach, or which breach, by its nature, cannot be cured before the closing; or

9.2.5. By the Member or the board of directors of OCHI if the closing of the merger has not occurred on or before September 1, 2012, unless the failure of the closing to occur by that date is due to the breach by the party seeking to terminate this Agreement of any representation, warranty, covenant, or other agreement of that party set forth in this Agreement.

9.3. **Effect of Termination** . If this Agreement is terminated as provided in Section 9, this Agreement will become wholly void and of no effect, each party will bear its own expenses, and, except for the liability of a party whose material breach of any of the covenants, agreements, representations, or warranties set forth in this Agreement has occasioned the termination of this Agreement by the nondefaulting party, there will be no liability or obligation on the part of either party.

SECTION 10. MISCELLANEOUS PROVISIONS

10.1. **Waivers** . Each party, by written instrument, may extend the time for performing any of the obligations or other acts of the other party, waive any inaccuracies of the representations and warranties of the other party, waive compliance with any of the covenants of the other party, waive performance of any of the obligations of the other party set forth in this Agreement, or waive any condition to its obligation to effect the merger other than the conditions contained in subsections 8.1.3, 8.1.4, 8.2.3, and 8.2.4.

10.2. **Survival** . None of the representations, warranties, covenants, and agreements in this Agreement, including any rights arising out of any breach of such representations, warranties, covenants, and agreements, will survive the Effective Date, except for those covenants and agreements that by their express terms apply in whole or in part after the Effective Date.

10.3. **Amendment** . This Agreement may be amended at any time before the Effective Date, whether before or after the meetings of the shareholders of OCHI or of the Member, with approval of the board of directors of OCHI or of the Member, as long as the amendment will not change the conversion of NW Development Membership Interests as set forth in subsection 3.1 without the approval of the shareholders of OCHI or of the Member.

10.4. **Expenses** . Each party will pay the expenses incurred by it in connection with the transactions contemplated hereby.

10.5. **Time is of the Essence** . Time is expressly made of the essence of each provision of this Agreement.

10.6. **Notices** . Any notice required or permitted under this Agreement shall be in writing and shall be given when actually delivered in person or forty-eight (48) hours after having been deposited in the United States mail as certified or registered mail addressed to the addresses set forth below, or to such other address as one party may indicate by written notice to the other party:

NW DEVELOPMENT:

Northwest Development Group, LLC
19150 SW 90th Avenue
Tualatin, OR 97062
Attention: Christopher J. Shepanek
Telephone Number: (503) 783-3888
Facsimile Number: (503) 783-3850
E-mail address: chriss@oilcanhenry.com

OCHI:

OCH International, Inc.
19150 SW 90th Avenue
Tualatin, OR 97062
Attention: Christopher J, Shepanek
Telephone Number: (503) 783-3888
Facsimile Number: (503) 783-3850
E-mail address: chriss@oilcanhenry.com

10.7. **Attorney Fees and Costs** . In the event legal action is commenced in connection with this Agreement, the prevailing party in such action shall be entitled to recover its reasonable attorney fees and costs incurred therein.

10.8. **Amendments** . This Agreement may be amended, modified or extended without new consideration but only by written instrument executed by both parties.

10.9. **Governing Law** . This Agreement shall be construed in accordance with and governed by the laws of the state of Oregon.

10.10. **Binding Effect** . The covenants, conditions and terms of this Agreement shall extend to and be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

10.11 **Execution in Counterparts** . This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute but one and the same agreement,

10.12. **Representation** . The Constituent Entities acknowledge and agree that the law firm of Bateman Seidel represents only OCHI in connection with the merger and in connection with the preparation and execution of this Agreement. NW Development acknowledges that it has been advised to obtain Independent legal counsel in connection with this Agreement. Neither NW Development nor the shareholders of OCHI should execute or approve this Agreement without consulting with independent counsel.

The parties enter into this Agreement as of the date set forth above.

OCH INTERNATIONAL, INC. , an Oregon corporation

NORTHWEST DEVELOPMENT GROUP, LLC , an Oregon limited liability company

By: /s/ Christopher J. Shepanek
Christopher J. Shepanek, CEO

By: /s/ Christopher J. Shepanek
Christopher J. Shepanek, Member

SCHEDULE 4.4

Governmental/Regulatory Filing Requirements Relating to NW Development

None.

Schedule 4.4 to AGREEMENT AND PLAN OF MERGER

SCHEDULE 4.6

Litigation Information Relating to NW Development

None.

Schedule 4.6 to AGREEMENT AND PLAN OF MERGER

SCHEDULE 5.5

Conduct of Business; Liabilities Relating to OCHI

None.

Schedule 5.5 to AGREEMENT AND PLAN OF MERGER

SCHEDULE 5.7

Litigation Information Relating to OCHI

None.

Schedule 5.7 to AGREEMENT AND PLAN OF MERGER

**ACTION BY THE MEMBER OF
NORTHWEST DEVELOPMENT GROUP, LLC**

WHEREAS, subsection 8.2.6 of the Operating Agreement of Northwest Development Group, LLC, an Oregon limited liability company (the “**Company**”), provides that any action required or permitted to be taken at a meeting of the Members of the Company may be taken without a meeting; and

WHEREAS, Christopher J. Shepanek, as the sole member of the Company (“**Member**”), has considered a proposed Agreement and Plan of Merger by the Company and OCH International, Inc., an Oregon corporation (the “**Surviving Entity**”), pursuant to which the Company shall be merged with and into the Surviving Entity (the “**Merger**”) and the separate existence of the Company shall cease; and

WHEREAS, the Member has determined that the Merger is in the best interests of the Company.

NOW, THEREFORE, the Member hereby takes the following actions on behalf of the Company:

1. BE IT RESOLVED, that the Agreement and Plan of Merger, in substantially the form delivered to and considered by the Member, be, and it hereby is, approved and adopted, with such modifications, amendments and changes thereto as the Member deems necessary and appropriate, and that the Member be, and he hereby is, authorized and directed to execute and deliver the Agreement and Plan of Merger and to execute and file Articles of Merger on behalf of the Company;

2. RESOLVED FURTHER, that the Member be, and he hereby is, authorized and directed, for and on behalf of the Company, or otherwise, to execute all such instruments, documents, certificates and ancillary agreements and to take all such other actions in connection with the resolutions hereinabove adopted as he may deem necessary, advisable or proper to effectuate the intent and purposes of these resolutions;

3. RESOLVED FURTHER, that all actions heretofore taken by the Member in connection with the matters referred to in the foregoing resolutions, be, and they hereby are, ratified and approved in all respects; and

4. RESOLVED FURTHER, that this Action shall be effective as of November 30, 2012, notwithstanding the actual date of signing by the Member.

/s/ Christopher J. Shepanek

Christopher J. Shepanek, Member

**ACTION BY THE BOARD OF DIRECTORS
AND SHAREHOLDERS OF OCH INTERNATIONAL, INC.**

WHEREAS, ORS 60.341 provides that any action required or permitted to be taken by the Board of Directors of OCH International, Inc., an Oregon corporation (“**Corporation**”), may be taken without a meeting if the action so taken is evidenced by one or more written consents describing the action taken and signed by each director;

WHEREAS, ORS 60.211 provides that any action required or permitted to be taken at a meeting of the shareholders of the Corporation may be taken without a meeting if the action so taken is evidenced by one or more written consents describing the action taken and signed by each shareholder;

WHEREAS, the Board of Directors (the “**Board**”) has considered a proposed Agreement and Plan of Merger by the Corporation and Northwest Development Group, LLC, an Oregon limited liability company (the “**Merging LLC**”), pursuant to which the Merging LLC shall be merged with and into the Corporation (the “**Merger**”) and the separate existence of the Merging LLC shall cease; and

WHEREAS, the Board has determined that the Merger is in the best interests of the Corporation and its shareholders;

NOW, THEREFORE, the Board of Directors and the shareholders of the Corporation hereby take the following actions;

1. BE IT RESOLVED, that the Agreement and Plan of Merger, in substantially the form delivered to and considered by the Board, be, and it hereby is, approved and adopted, with such modifications, amendments and changes thereto as Christopher J. Shepanek, the Chief Executive Officer of the Corporation, deems necessary and appropriate, and that the Chief Executive Officer of the Corporation and such other officers as he may designate be, and each of them hereby is, authorized and directed to execute and deliver the Agreement and Plan of Merger and to execute and file Articles of Merger on behalf of the Corporation;

2. RESOLVED FURTHER, that the shareholders of the Corporation approve the Agreement and Plan of Merger insofar as it relates to the Corporation and authorizes the Corporation to take such further action as may be necessary or appropriate in connection with the Agreement and Plan of Merger;

3. RESOLVED FURTHER, that Christopher J. Shepanek, as the Chief Executive Officer of the Corporation, be, and he hereby is, authorized and directed, for and on behalf of the Corporation, or otherwise, to execute all such instruments, documents, certificates and ancillary agreements and to take all such other actions in connection with the resolutions hereinabove adopted as they may deem necessary, advisable or proper to effectuate the intent and purposes of these resolutions;

4. RESOLVED FURTHER, that all actions heretofore taken by any officer or director of the Corporation in connection with the matters referred to in the foregoing resolutions, be, and they hereby are, ratified and approved in all respects; and

5. RESOLVED FURTHER, that this Joint Consent by the Board and shareholders shall be effective as of November 30, 2012, notwithstanding the actual date of signing by the members of the Board and the shareholders.

DIRECTORS:

/s/ John E. Shepanek
John E. Shepanek

/s/ Christopher J. Shepanek
Christopher J. Shepanek

SHAREHOLDERS:

/s/ Christopher J. Shepanek
Christopher J. Shepanek

/s/ John E. Shepanek, Trustee
John E. Shepanek, Trustee of the John
Shepanek Living Trust

/s/ Sandra K. Shepanek, Trustee
Sandra K. Shepanek, Trustee of the Sandra
Shepanek Living Trust

WAIVER OF STATUTORY NOTICES

The undersigned shareholders, by affixing their signatures below, hereby knowingly and expressly waive their statutory right to notice of a meeting of the proposed merger, as required by ORS 60.487, waive their statutory right to receive notice of their dissenters' rights, as required by ORS 60.561, and waive their right to give notice to demand payment based on dissenters' rights pursuant to ORS 60.564.

/s/ Christopher J. Shepanek
Christopher J. Shepanek

/s/ Sandra K. Shepanek, Trustee
Sandra K. Shepanek, Trustee of the Sandra
Shepanek Living Trust

/s/ John E. Shepanek, Trustee
John E. Shepanek, Trustee of the John
Shepanek Living Trust

SUMMARY OF VOTING

No. of Issued & Outstanding Shares of Common Stock Prior to Merger	No. of Shares of Common Stock Voted in Favor of Merger	No. of Shares of Common Stock Voted Against Merger
540,068.03	540,068.03	-0-

I, CHRISTOPHER J. SHEPANEK, Chief Executive Officer of OCH International, Inc, hereby certify to the foregoing vote.

/s/ Christopher J. Shepanek

Christopher J. Shepanek,
Chief Executive Officer of OCH
International, Inc.

SUMMARY OF VOTING

Articles of Merger-Multi Entity Merger

Secretary of State – Corporation Melon – 255 Capital St. NE, Suite 151 – Salem, OR 97310-1327 – <http://www.FilingOregon.com> Phone (503) 986-2200

Survivor

Registry Number: 118156-85

In accordance with Oregon Revised Statute 192.410-192.490, the information on this application is public record.

We must release this information to all parties upon request and it will be posted on our website For office use only

Please Type or Print Legibly in Black Ink. Attach Additional Sheet if Necessary.

1) Names and Types of the Entities Proposing to Merge:

<u>Name:</u>	<u>Type:</u>	<u>Registry Number:</u>
CJS-Yakima LLC	FLLC	Washington State UBI 8503-440-952
CJS-OCH, Inc.	DBC	938751-94
OCH International, Inc.	DBC	118156-85

2) Name and Type of the Surviving Entity: OCH International, Inc., an Oregon corporation

Check here if there is a name change in this plan of merger.

3) A copy of the Merger Plan is Attached. See ORS 60.481(2)

4) The Plan of Merger was Duly Authorized and Approved by each Entity that is a Party to the Merger:

A copy of the vote required by each entity is attached.

OR:

Shareholder approval was not required.

5) Execution: (Must be signed by an officer or director for a corporation, a member or manager for a limited liability company, a general partner for a limited partnership or a partner for a limited partnership.)

By my signature, I declare as an authorized authority, that this filing has been examined by me and is, to the best of my knowledge and belief, true, correct, and complete. Making false statements in the document is against the law and may be penalized by fines, imprisonment or both.

Signature
/s/ Christopher J. Shepanek

Printed Name:
Christopher J. Shepanek

Title:
Chief Executive Officer

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (“**Agreement**”), dated effective as of the January 2, 2015 (“**Effective Date**”), Is by and among OCH INTERNATIONAL, INC., an Oregon corporation (“**OCHI**”); CJS-OCH, INC., an Oregon corporation (“**CJS-OCH**”); and CJS-YAKIMA LLC, a Washington limited liability company (“**CIS-Yakima**”). OCHI, CJS-OCH and CJS-Yakima are hereinafter sometimes referred to collectively as the “**Constituent Entities**.”

RECITALS

The Constituent Entities desire to effect a merger (“**Merger**”) on the terms set forth in this Agreement pursuant to the provisions of the Oregon Business Corporation Act and the Washington Limited Liability Company Act (collectively, the “**Acts**”).

AGREEMENT

NOW, THEREFORE, based upon the foregoing Recitals and the mutual covenants hereinafter set forth, the Constituent Entities agree as follows:

SECTION 1. MERGER OF CONSTITUENT ENTITIES

1.1. **Merger** . As of the Filing Date (as hereinafter defined), CJS-OCH and CJS-Yakima will be merged with and into OCHI, the separate existence of CIS-OCH and CJS-Yakima will cease and OCHI will survive as a corporation under the name “OCH International, Inc.” (the “**Surviving Corporation**”) organized under and governed by the laws of the state of Oregon. From that time, the Surviving Corporation, to the extent consistent with its articles of incorporation, as altered by the Merger, will possess all the rights, privileges, immunities, and franchises of each of the Constituent Entities, all property belonging to CJS-OCH and CJS-Yakima will be transferred, by operation of law, to and vest in the Surviving Corporation without further act or deed, and the Surviving Corporation will be responsible for all liabilities of each of the Constituent Entities, all in the manner and with the effect set forth in ORS 60.497, ORS 63.497, and ROW 25.15.410.

1.2. **Further Assurances** . From time to time after the Effective Date, Christopher J., Shepanek, the CEO of OCHI, the President of CJS-OCH, and the authorized representative of CJS-Yakima, will execute and deliver such deeds and other instruments and will cause to be taken such further actions, as will reasonably be necessary, in order to vest or perfect in the Surviving Corporation title to and possession of all the property, interest, assets, rights, privileges, immunities, and franchises of CJS-OCH and CJS-Yakima.

1.3. **Filing Date** . The Merger of the Constituent Entities will become effective on the date of the filing of the Articles of Merger in Oregon and Washington pursuant to ORS 60.494 and RCW 25.15.405, whichever is later (the “**Filing bate**”); provided, however, that the Constituent Entities agree to treat the Merger as being effective as of the Effective Date for all other purposes.

1.4. **Closing** . The closing of the contemplated transactions will occur at the offices of OCHI on the Filing Date or at such other time and place mutually agreed upon by the Constituent Entities. At that time, the parties will cause Articles of Merger to be filed in Oregon and Washington and the Merger will become effective,

SECTION 2. ARTICLES OF INCORPORATION, BYLAWS, DIRECTORS, AND OFFICERS

At the Filing Date:

2.1. **Articles of Incorporation** . The Articles of Incorporation of OCHI will be the Articles of Incorporation of the Surviving Corporation until further amended in accordance with applicable law.

2.2. **Amended and Restated Bylaws** . The Amended and Restated Bylaws of OCHI, as amended, in effect immediately before the Filing Date will be the bylaws of the Surviving Corporation until amended or repealed.

2.3. **Directors and Officers** . The Board of Directors of the Surviving Corporation will consist of Christopher J. Shepanek. Christopher J. Shepanek is the Chief Executive Officer, President and Secretary of the Surviving Corporation; and he will hold those offices at the pleasure of the Board of Directors of the Surviving Corporation.

SECTION 3. MANNER AND BASIS OF CONVERTING MEMBERSHIP INTERESTS

3.1. **Conversion of Membership Interests and Shares** . At the Filing Date:

3.1.1. Other than the rights of dissenting members under RCW 25.15.425-25.15.480, the Membership Interests of CJS-Yakima (“**CJS-Yakima Membership Interests**”) owned by its member immediately before the Filing Date will not be converted into any shares of fully paid and nonassessable common stock of the Surviving Corporation because it is a wholly-owned subsidiary of CJS-OCH.

3.1.2. Each share of common stock of OCHI (“**OCHI Shares**”) that is issued and outstanding immediately before the Filing Date, other than dissenting shares to which a dissenting shareholder has taken the actions required by ORS 60.551-60.594 relating to dissenters’ rights, will be converted into one share of fully-paid and nonassessable common stock of the Surviving Corporation that is issued and outstanding immediately before the Filing Date.

3.1.3. Each share of common stock of CJS-OCH (“**CJS-OCH Shares**”) that is issued and outstanding immediately before the Filing Date, other than dissenting shares to which a dissenting shareholder has taken the actions required by ORS 60.551-60.594 relating to dissenters’ rights, will be converted Into 14.466182 shares of fully-paid and nonassessable common stock of the Surviving Corporation that is issued and outstanding immediately before the Filing Date.

3.2. **Certificates for Shares** . Each certificate that represents OCHI Shares before the Filing Date will represent the number of OCHI Shares into which such shares are converted from and after the Filing Date. Each holder of CJS-OCH Shares and each holder of OCHI Shares that are converted in the Merger into shares of common stock of the Surviving Corporation, on surrender of the certificate therefor to the Surviving Corporation (if applicable), will be entitled to receive a certificate evidencing the ownership of shares of the Surviving Corporation at the Filing Date.

3.3. **Dissenting Shares and Membership Interests** . The rights of dissenting shareholders of OCHI and CJS-OCH shall be treated in accordance with the provisions ORS 60.551-60.594, relating to dissenters' rights, and the rights of the Member of OCH-Yakima shall be treated in accordance with the provisions of RCW 25.15.425-25.15.480 relating to dissenters' rights,

SECTION 4. MISCELLANEOUS PROVISIONS

4.1 **Waivers** . Each party, by written instrument, may extend the time for performing any of the obligations or other acts of the other party, waive any inaccuracies of the representations and warranties of the other party, waive compliance with any of the covenants of the other party, waive performance of any of the obligations of the other party set forth in this Agreement, or waive any condition to its obligation to effect the Merger.

4.2 **Survival** . None of the representations, warranties, covenants, and agreements in this Agreement, including any rights arising out of any breach of such representations, warranties, covenants, and agreements, will survive the Effective Date, except for those covenants and agreements that by their express terms apply in whole or in part after the Effective Date.

4.3 **Amendment** . This Agreement may be amended at any time before the Effective Date, whether before or after the date of the meeting of the shareholders and members of the Constituent Entities, with the approval of the board of directors of OCHI and CJS-OCH and the member of CJS-Yakima, as long as the amendment will not change the conversion rights set forth in Section 3 without the approval of the shareholders of OCHI and CJS-OCH and the member of CJS-Yakima.

4.4 **Expenses** . Each party will pay the expenses incurred by it in connection with the transactions contemplated hereby.

4.5 **Time is of the Essence** . Time is expressly made of the essence of each provision of this Agreement.

4.6 **Notices** . Any notice required or permitted under this Agreement shall be in writing and shall be given when actually delivered in person or forty-eight (48) hours after having been deposited in the United States mail as certified or registered mail addressed to the addresses set forth below, or to such other address as one party may indicate by written notice to the other party:

CJS-YAKIMA:

CJS-Yakima LLC
19150 SW 90 th Avenue
Tualatin, OR 97062
Attention: Christopher J. Shepanek
Telephone Number: (503) 783-3888
Facsimile Number: (503) 783-3850
E-mail address: chriss@oilcanhenry.com

OCHI:

OCH International, Inc.
19150 SW 90 th Avenue
Tualatin, OR 97062
Attention: Christopher J. Shepanek
Telephone Number: (503) 783-3888
Facsimile Number: (503) 783-3850
E-mail address: chriss@oilcanhenry.com

CJS-OCH:

CJS-OCH, Inc.
19150 SW 90 th Avenue
Tualatin, OR 97062
Attention: Christopher J. Shepanek
Telephone Number: (503) 783-3888
Facsimile Number: (503) 783-3850
E-mail address: chriss@oilcanhenry.com

4.7 Attorney Fees and Costs . In the event legal action is commenced in connection with this Agreement, the prevailing party in such action shall be entitled to recover its reasonable attorney fees and costs incurred therein.

4.8 Amendments . This Agreement may be amended, modified or extended without new consideration but only by written instrument executed by both parties.

4.9 Governing Law . This Agreement shall be construed in accordance with and governed by the laws of the state of Oregon.

4.10 Binding Effect . The covenants, conditions and terms of this Agreement shall extend to and be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

4.11 Execution in Counterparts . This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute but one and the same agreement.

4.12 Representation . The Constituent Entities acknowledge and agree that the law firm of Bateman Seidel represents only OCHI in connection with the Merger and in connection with the preparation and execution of this Agreement. CJS-Yakima and CJS-OCH acknowledge that they have been advised to obtain independent legal counsel in connection with this Agreement. Neither CJS-Yakima, CJS-OCH, the shareholders of OCHI, nor the shareholders of CJS-OCH should execute or approve this Agreement without consulting with independent counsel.

The parties enter into this Agreement with the intent that it be effective as of the Effective Date

CJS-OCH:

CJS-OCH, INC., an Oregon corporation

By: /s/ Christopher J. Shepanek
Christopher J. Shepanek, President

CJS-YAKIMA:

CJS-YAKIMA LLC, a Washington limited liability company

By: CJS-OCH Inc., an Oregon corporation, its sole Member

By: /s/ Christopher J. Shepanek
Christopher J. Shepanek
President

OCHI:

OCH INTERNATIONAL, INC., an Oregon corporation

By: /s/ Christopher J. Shepanek
Christopher J. Shepanek
Chief Executive Officer

**COMBINED RESOLUTIONS OF THE BOARD OF DIRECTORS
AND SHAREHOLDER OF CJS-OCH, INC.,
THE MEMBER OF CJS-YAKIMA LLC, AND THE BOARD OF DIRECTORS
AND SHAREHOLDER OF OCH INTERNATIONAL, INC,**

WHEREAS, CJS-OCH, Inc, (“ **CIS-OCH** ”) is an Oregon corporation;

WHEREAS, CJS-Yakima LLC (“ **CIS-Yakima** ”) is a Washington limited liability company;

WHEREAS, OCH International, Inc. (“ **OCHI** ”) is an Oregon corporation;

WHEREAS, the sole Member of CJS-Yakima, the Board of Directors and Shareholder of CJS-OCH, and the Board of Directors and Shareholder of OCHI desire for CJS-OCH and CJS-Yakima to merge into OCHI, with OCHI being the survivor of the merger (“ **Merger** ”), upon the terms and provisions set forth in the Plan of Merger (“ **Plan** ”) attached to the Articles of Merger (“ **Articles** ”); and

WHEREAS, pursuant to the terms of the Plan and the Articles, OCHI will be the survivor of the Merger and the continued existence of CJS-OCH and CJS-Yakima shall cease.

NOW, THEREFORE, the sole Member of CJS-Yakima, the Board of Directors and Shareholder of CJS-OCH, and the Board of Directors and Shareholder of OCHI adopt the following resolutions:

1. RESOLVED, by the sole Member of CJS-Yakima, that CJS-Yakima is authorized to merge with OCHI, with OCHI being the survivor of the Merger, in accordance with the Plan and the Articles.

2. FURTHER RESOLVED, by the Board of Directors and the Shareholder of CJS-OCH that CJS-OCH is authorized to merge with OCHI, with OCHI being the survivor of the Merger in accordance with the Plan and the Articles.

3. FURTHER RESOLVED, by the Board of Directors and the Shareholder of OCHI, that OCHI is authorized to merge with CJS-Yakima and CJS-OCH, with OCHI being the survivor of the Merger in accordance with the Plan and the Articles.

4. FURTHER RESOLVED, by the Board of Director, that Christopher J. Shepanek, in his capacities as the President of CJS-OCH (in its capacity as the sole Member of CJS-Yakima) and as the Chief Executive Officer of OCHI, is hereby authorized to take any and all actions necessary or advisable for the purpose of completing the Merger, including (a) the execution and filing of Articles with the Oregon Secretary of State and the Washington Secretary of State, (b) attaching the Plan and these resolutions to the Articles, and (c) the payment of all fees and costs associated therewith.

5. FURTHER RESOLVED, that these resolutions shall be effective as of January 2, 2015

CJS-OCH:

CJS-OCH, INC., an Oregon corporation

By: /s/ Christopher J. Shepanek
Christopher J. Shepanek, President

CJS-YAKIMA:

CJS-YAKIMA LLC, a Washington limited liability company

By: CJS-OCH Inc., an Oregon corporation, its sole Member

By: /s/ Christopher J. Shepanek
Christopher J. Shepanek, President

OCHI:

OCH INTERNATIONAL, INC., an Oregon corporation

By: /s/ Christopher J. Shepanek
Christopher J. Shepanek
Chief Executive Officer

/s/ Christopher J. Shepanek
Christopher J. Shepanek, Shareholder of OCH International, Inc. and
Shareholder of CJS-OCH, Inc.

**AMENDED AND
RESTATED BYLAWS
OF
OCH INTERNATIONAL, INC.**

These Bylaws are intended to conform to the mandatory requirements of the Oregon Business Corporation Act (the "Act"). Any ambiguity arising between these Bylaws and the discretionary provisions of the Act shall be resolved in favor of the application of the Act.

ARTICLE I

Shareholders

Section 1. - Place.

Shareholders meetings shall be held at the registered office of this Corporation unless a different place shall be designated by the Board of Directors.

Section 2. - Annual Meeting.

The annual meeting of the Shareholders shall be held on the first Monday of June unless otherwise designated by the Board of Directors. The meeting shall be held for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein, the Board of Directors shall cause the election to be held at a special meeting of the Shareholders on the next convenient day.

Section 3. - Special Meetings.

Special meetings of the Shareholders may be called by the President, the Board of Directors or the holders of not less than one-tenth of all the shares entitled to vote at the meeting.

Section 4. - Notice.

Written or printed notice stating the place, hour and day of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the Officer or persons calling the meeting to each Shareholder of record entitled to vote at such meeting. Such notice and the effective date thereof shall be determined as provided in the Act.

Section 5. - Quorum.

A majority of the shares issued, outstanding and entitled to vote upon the subject matter at the time of the meeting, represented in person or by proxy, shall constitute a quorum for the transaction of business at any meeting of the Shareholders.

Section 6. - Adjourned Meetings.

If there is no quorum present at any annual or special meeting the Shareholders present may adjourn to such time and place as may be decided upon by the holders of the majority of the shares present, in person or by proxy, and notice of such adjournment shall be given in accordance with Section 4 of this Article, but if a quorum is present, adjournment may be taken from day to day or to such time and place as may be decided and announced by a majority of the Shareholders present, and no notice of such adjournment need be given. At any such adjourned meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting originally called.

Section 7. - Voting.

Each Shareholder entitled to vote on the subject matter shall be entitled to one vote for each share of stock standing in the name of the Shareholder on the books of the Corporation at the time of the closing of the Transfer Books for said meeting, whether represented and present in person or by proxy. The affirmative vote of the holders of a majority of the shares of each class - represented at the meeting and entitled to vote on the subject matter shall be the act of the Shareholders. The Shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Shareholders to leave less than a quorum.

Section 8. - Proxies.

At all meetings of Shareholders, a Shareholder may vote in person or by proxy executed in writing by the Shareholder or by his duly authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy and coupled with an interest as provided in the Act.

Section 9. - Closing of Transfer Books.

The Stock Transfer Books shall be closed for the meetings of the Shareholders and for the payment of dividends during such periods (not to exceed 50 days) as from time to time may be fixed by the Board of Directors. During such periods, no stock shall be transferred.

ARTICLE II

Directors

Section 1. - In General. Number.

The business and affairs of the Corporation shall be managed by a Board of not less than three (3) nor more than seven (7) Directors. The members of the present Board of Directors shall hold office until the next annual meeting of the Shareholders and until their successors shall have been elected and qualified. Thereafter, the term of each Director shall begin upon his election by the Shareholders as provided in Article I, Section 7 above, and shall continue until his successor shall have been elected and qualified.

Section 2. - Powers.

The corporate powers, business, property and interests of this Corporation shall be exercised, conducted and controlled by the Board of Directors, which shall have all power necessary to conduct, manage and control its affairs, and to make such rules and regulations as it may deem necessary as provided by the Act; to appoint and remove all Officers, agents and employees; to prescribe their duties and fix their compensation; to call special meetings of Shareholders whenever it is deemed necessary by the Board, to incur indebtedness and to give securities, notes and mortgages for same. It shall be the duty of the Board to cause a complete record to be kept of all the minutes, acts, and proceedings of its meetings. The Board shall have the power to declare dividends out of the surplus profits of this Corporation when such profits shall, in the opinion of the Board, warrant the same.

Section 3. - Vacancies.

Vacancies in the Board of Directors shall be temporarily filled by the affirmative vote of a majority of the remaining Directors even though less than a quorum of the Board of Directors. Such temporary Director or Directors shall hold office until the first meeting of the Stockholders held thereafter, at which time such vacancy or vacancies shall be permanently filled by election according to the procedure specified in Section 1 of this Article II. During the existence of any vacancy or vacancies, the surviving or remaining Directors, though less than a quorum, shall possess and may exercise all of the powers vested in the Board of Directors.

Section 4. - Annual Meeting.

There shall be an annual meeting of the Board of Directors which shall be held immediately after the annual meeting of the Shareholders and at the same place.

Section 5. - Special Meeting.

Special meetings may be called from time to time by the President or any one of the Directors. Any business may be transacted at any special meeting.

Section 6. - Quorum.

A majority of the Directors shall constitute a quorum. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If less than a quorum is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice, other than announcement at the meeting, until a quorum shall be present. Interested Directors may be counted for quorum purposes.

Section 7. - Notice.

Notice of all Directors meetings shall be given in accordance with the Act. No notice need be given of any annual meeting of the Board of Directors. One day prior notice shall be given for all special meetings of the Board, but the purpose of special meetings need not be stated in the notice.

Section 8. - Compensation.

By resolution of the Board of Directors, each Director may either be reimbursed for his expenses, if any, for attending each meeting of the Board of Directors or may be paid a fixed fee for attending each meeting of the Board of Directors, or both. No such payment shall preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 9. - Removal or Resignation of Directors.

Any Director may resign by delivering written notice of the resignation to the Board of Directors or an Officer of the Corporation. All or any number of the Directors may be removed, with or without cause, at a meeting expressly called for that purpose by a vote of the holders of the majority of the shares then entitled to vote at an election of Directors.

Section 10. - Presumption of Assent.

A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless his dissent shall be entered in the minutes of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE III

Officers and Agents - General Provisions

Section 1. - Number, Election and Term.

Officers of the Corporation shall be a Chairman of the Board, a Chief Executive Officer, a President, an Executive Vice President and a Secretary. Officers shall be elected by the Board of Directors at its first meeting, and at each regular annual meeting of the Board of Directors thereafter. Each Officer shall hold office until the next succeeding annual meeting of the Directors and until his successor shall be elected and qualified. Any one person may hold more than one office if it is deemed advisable by the Board of Directors,

Section 2. - Additional Officers and Agents.

The Board of Directors may appoint and create such other Officers and agents as may be deemed advisable and prescribe their duties.

Section 3. - Resignation or Removal.

Any officer or agent of the Corporation may resign from such position by delivering written notice of the resignation to the Board of Directors, but such resignation shall be without prejudice to the contract rights, if any, of the Corporation. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an Officer or agent shall not of itself create contract rights.

Section 4. - Vacancies.

Vacancies in any office caused by any reason shall be filled by the Board of Directors at any meeting by selecting a suitable and qualified person to act during the unexpired term.

Section 5. - Salaries.

The salaries of all the Officers, agents and other employees of this Corporation shall be fixed by the Board of Directors and may be changed from time to time by the Board, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a Director of the Corporation. All Directors, including interested Directors, are specifically authorized to participate in the voting of such compensation irrespective of their interest.

ARTICLE IV

Duties of the Officers

Section 1. - Chairman of the Board.

The Chairman of the Board, if any, shall be a member of the Board of Directors and shall preside at all meetings of the Shareholders and Directors; perform all duties required by the Bylaws of this Corporation, and as may be assigned from time to time by the Board of Directors; and shall make such reports to the Board of Directors and Shareholders as may be required.

Section 2. - Chief Executive Officer.

The Chief Executive Officer shall have general charge and control of the administrative, financial, marketing and legal affairs of the Corporation subject to the direction of the Board of Directors; perform all duties required by the Bylaws of this Corporation, and as may be assigned from time to time by the Board of Directors; and shall make such reports to the Board of Directors and Shareholders as may be required.

Section 3. - President.

The President shall have general charge and control of the affairs of the Corporation subject to the direction of the Board of Directors; sign as President all Certificates of Stock of this Corporation; perform all duties required by the Bylaws of this Corporation, and as may be assigned from time to time by the Board of Directors; and shall make such reports to the Board of Directors and Shareholders as may be required. In addition, if no Chairman of the Board is elected by the Board, the President shall perform all the duties required of such Officer by these Bylaws.

Section 4. - Executive Vice President.

The Executive Vice President, if any, shall have general charge and control of the real estate, construction and franchising affairs of the corporation and perform such other duties as shall be assigned by the Board of Directors, and in the case of the absence, disability or death of the President, the Executive Vice President shall perform and be vested with all the duties and powers of the President, until the President shall have resumed such duties or the President's successor is elected.

Section 5. - Secretary.

The Secretary shall keep a record of the proceedings at the meetings of the Shareholders and the Board of Directors and shall give notice as required in these Bylaws of all such meetings; have custody of all the books, records and papers of the Corporation, except such as shall be in charge of the Treasurer or some other person authorized to have custody or possession thereof by the Board of Directors; sign all Certificates of Stock of this Corporation; from time to time make such reports to the Officers, Board of Directors and Shareholders as may be required and shall perform such other duties as the Board of Directors may from time to time delegate. In addition, if no Treasurer is elected by the Board, the Secretary shall perform all the duties required of the Office of Treasurer by the Act and these Bylaws.

ARTICLE V

Stock

Section 1. - Certificates.

The shares of stock of this Corporation shall be represented by Stock Certificates in a form adopted by the Board of Directors and every person who shall become a Shareholder shall be entitled to a Certificate of Stock. All Certificates shall be consecutively numbered by class.

Section 2. - Transfer of Certificates.

All Certificates of stock transferred by endorsement shall be surrendered, cancelled and new certificates issued to the purchaser or assignee.

Section 3. - Transfer of Shares.

Shares of stock shall be transferred only on the books of the Corporation by the holder thereof, in person or by his attorney, and no transfers of Certificates of Stock shall be binding upon this Corporation until this Section and Section 2 of this Article are met to the satisfaction of the Secretary of this Corporation.

Section 4. - Lost Certificates.

In the case of loss, mutilation or destruction of a Certificate of Stock, a duplicate Certificate may be issued upon such terms as the Board of Directors shall prescribe.

Section 5. - Dividends.

The Board of Directors may from time to time declare, and the Corporation may then pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by the Act and in its Articles of Incorporation.

Section 6. - Working Capital.

Before the payment of any dividends or the making of any distributions of the net profits, the Board of Directors may set aside out of the net profits of the Corporation such sum or sums as in their discretion they think proper as a working capital or as a reserve fund to meet contingencies. The Board of Directors may increase, diminish or vary the capital of such reserve fund in their discretion.

Section 7. - Restrictions on Transfer.

No shares of stock of this Corporation or Certificates representing such shares shall be transferred in violation of any law or of any restriction on such transfer (1) set forth in the Articles of Incorporation or amendments thereto, or the Bylaws; or (2) contained in any Buy-Sell Agreement, right of first refusal, or other Agreement restricting such transfer which Agreement has been filed with the Corporation, and, if Certificates have been issued, reference to which restriction is made on the Certificates representing such shares. The Corporation shall not be bound by any restriction not so filed and noted. The Corporation may rely in good faith upon the opinion of its counsel as to such legal or contractual violation unless the issue has been finally determined by a court of competent jurisdiction. The Corporation and any party to any such agreement shall have the right to have a restrictive legend imprinted upon any such Certificates and any Certificate issued in replacement or exchange thereof or with respect thereto.

ARTICLE VI

Seal

There shall be no corporate seal.

ARTICLE VII

Waiver of Notice

Whenever any notice is required to be given to any Shareholder or Director of this corporation, a waiver signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

ARTICLE VIII

**Action by Shareholders or Directors
Without a Meeting**

Any action required to be taken at a meeting of the Shareholders or Directors of this Corporation, or any other action which may be taken at a meeting of the Shareholders or Directors, may be taken without a meeting if a consent in writing setting forth the actions so taken shall be signed by all the Shareholders or Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same effect and force as a unanimous vote of said Shareholders or Directors.

ARTICLE IX

Borrowing

Notwithstanding any other provision in these Bylaws, no Officer, Shareholder or agent of this Corporation shall have authority to borrow any funds in behalf of the Corporation or to hypothecate any assets thereof, for corporate purposes or otherwise, except as expressly stated in a resolution by a majority of Directors, duly entered in the Minutes of the Board or upon written consent of holders of at least seventy-five percent (75%) of the stock.

ARTICLE X

Amendments

Any and all of these Bylaws may be altered, amended, repealed or suspended by the affirmative vote of a majority of the Directors at any meeting of the Directors. New Bylaws may be adopted in like manner.

ARTICLE XI

Indemnification

Section 1. - Directors and Officers.

The Corporation shall indemnify, to the fullest extent provided in the Act, any Director or officer who was or is a Party or is threatened to be made a Party to any Proceeding (other than an action by or in the right of the Corporation) by reason of or arising from the fact that he is or was a Director or Officer of the Corporation. The determination and authorization of indemnification shall be made as provided in the Act.

Section 2. - Advance of Expenses.

The Corporation may pay for or reimburse the reasonable expenses incurred by a Director or officer who is a Party to a Proceeding in advance of final disposition of the Proceeding as provided in the Act.

Section 3. - Insurance.

At the discretion of the Board of Directors, the Corporation may purchase and maintain insurance on behalf of any person who is or was a Director or Officer of the Corporation against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article.

Section 4. - Purpose and Exclusivity.

The indemnification referred to in the various sections of this Article shall be deemed to be in addition to and not in lieu of any other rights to which those indemnified may be entitled under any statute, rule of law or equity, agreement, vote of the Shareholders or Board of Directors or otherwise.

Section 5. - Definitions.

The capitalized terms in this Article shall have the same meanings given them in the Act.

CERTIFICATE OF ADOPTION

The undersigned Assistant Secretary of OCH International, Inc. does hereby certify that the above and foregoing Amended and Restated Bylaws of said Corporation were adopted by the directors as the Bylaws of said Corporation and that the same do now constitute the Bylaws of this Corporation.

DATED this 3rd day of April , 1998

/s/ Kay Branche

Kay Branche, Assistant Secretary

**FIRST AMENDMENT TO AMENDED AND
RESTATED BYLAWS OF OCH INTERNATIONAL, INC.**

THIS FIRST AMENDMENT TO AMENDED AND RESTATED BYLAWS OF OCH INTERNATIONAL, INC. (the “**First Amendment**”) is hereby adopted by the Board of Directors of OCH International, Inc., an Oregon corporation (the “**Board of Directors**”), effective as of August 21, 2012 (the “**Effective Date**”).

RECITALS

A. OCH International, Inc. (the “**Corporation**”) was incorporated on June 2, 1988, the date Articles of Incorporation were filed with the Oregon Secretary of State.

B. The Corporation adopted Bylaws effective as of June 2, 1988 (the “**Bylaws**”). The Bylaws were restated under the terms of the Restated Bylaws of OCH International, Inc. effective as of July 25, 1989 (the “**Restated Bylaws**”). The Restated Bylaws were amended and restated under the terms of the Amended and Restated Bylaws of OCH International, Inc. effective as of April 3, 1988 (the “**Amended & Restated Bylaws**”).

C. The Board of Directors now desires to amend the Amended & Restated Bylaws as hereinafter provided in this First Amendment.

C. Capitalized terms not otherwise defined in this First Amendment shall have the meanings assigned to them in the Amended & Restated Bylaws.

AGREEMENT

NOW THEREFORE, the Board of Directors agrees as follows:

1. **Amendment** . The first sentence of Article II, Section 1 of the Amended & Restated Bylaws of the Corporation is hereby amended to read as follows:

The business affairs of the Corporation shall be managed by a Board of not less than two (2) or more than seven (7) Directors.

2. **Full Force and Effect** . All provisions of the Amended and Restated Bylaws not specifically modified by this First Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the members of the Board of Directors executed this First Amendment with the intent that it be effective as of the Effective Date.

/s/ John E. Shepanek

John E. Shepanek, Director

/s/ Christopher J. Shepanek

Christopher J. Shepanek, Director

Articles of Organization

Secretary of State
Corporation Division
255 Capitol Street NE, Suite 151
Salem, OR 97310-1327

Registry Number: 632172-94
Type: DOMESTIC LIMITED LIABILITY COMPANY

Phone: (503)986-2200
Fax: (503)378-4381
www.filinginoregon.com

-
- 1) **ENTITY NAME**
NPCK, LLC
- 2) **DESCRIPTION OF BUSINESS**
523999 - Miscellaneous Financial Investment Activities
- 3) **MAILING ADDRESS**
888 SW Fifth Avenue, Suite 1250
Portland, OR 97204
USA
- 4) **NAME & ADDRESS OF REGISTERED AGENT**
272639-95 - TOWER REGISTRY LLC
888 SW Fifth Avenue, Suite 1250
Portland, OR 97204
USA
-
- 5) **ORGANIZERS**
Sandy S Newell
888 SW Fifth Avenue, Suite 1250
Portland OR 97204
USA
Authorized Signer: Sandy S Newell
- 6) **MEMBERS**
Randall B Bateman
888 SW Fifth Avenue, Suite 1250
Portland OR 97204
USA
-
- 7) **DURATION**
perpetual
- 8) **MANAGEMENT**
This Limited Liability Company will be member-managed by one or more members.
- 9) **PROFESSIONAL SERVICES**
None
-

By my signature, I declare as an authorized authority, that this filing has been examined by me and is, to the best of my knowledge and belief, true, correct, and complete. Making false statements in this document is against the law and may be penalized by fines, imprisonment, or both.

By typing my name in the electronic signature field, I am agreeing to conduct business electronically with the State of Oregon. I understand that transactions and/or signatures in records may not be denied legal effect solely because they are conducted, executed, or prepared in electronic form and that if a law requires a record or signature to be in writing, an electronic record or signature satisfies that requirement.

- 10) **ELECTRONIC SIGNATURES**
Sandy S. Newell

Check the appropriate box below:

ARTICLES OF AMENDMENT

(Complete only 1, 2, 3, 6)

ARTICLES OF DISSOLUTION

(Complete only 4, 5, 6)

REGISTRY NUMBER: 632172-94

In accordance with Oregon Revised Statute 192.410-191490, the information on this application is public record. must release this information to all parties upon request and it will be posted on our website For office use only

Please Type or Print Legibly in **Black Ink** . Attach Additional Sheet if Necessary.

A RTICLES OF A MENDMENT O NLY

1) Entity Name:

NPCK, LLC

2) T HE F OLLOWING A MENDMENT (S) TO THE A RTICLES OF O RGANIZATION IS M ADE H EREBY : (State the article number(s) and set forth the article(s) as it is amended to read.)

1) Entity Name: OCHI Advertising Fund LLC

6) Members: OCH International, Inc., 19150 SW 90th Avenue Tualatin, OR 97062

3) P LEASE CHECK THE A PPROPRIATE S TATEMENT :

This amendment was adopted by the manager(s) without member action. Member action was not required.

Date of adoption of each amendment: _____

This amendment(s) was approved by the members. 100 percent of the members approved the amendment(s).

Date of adoption of each amendment: 1/1/2012

A RTICLES OF D ISSOLUTION O NLY

4) Name of Limited Liability Company: _____

5) Date of Dissolution: _____

6) Execution: (Must be signed by at least one member or manager.)

By my signature, I declare as an authorized authority, that this filing has been examined by me and is, to the best of my knowledge and belief, true, correct, and complete. Making false statements in this document is against the law and may be penalized by fines, imprisonment or both.

Signature:
/s/ Randall B. Bateman

Printed Name:
Randall B. Bateman

Title:
Member

**OPERATING AGREEMENT
OF OCHI ADVERTISING FUND LLC**

THIS OPERATING AGREEMENT OF OCHI ADVERTISING FUND LLC (the “**Agreement**”) is made and entered into effective as of January 1, 2012 (the “**Effective Date**”), by OCH INTERNATIONAL, INC., an Oregon corporation as the sole member (the “**Member**”).

SECTION 1. THE LIMITED LIABILITY COMPANY

1.1 Formation . The name of the limited liability company is OCHI Advertising Fund LLC (the “**Company**”). The execution and filing of the Articles of Organization of the Company with the Oregon Secretary of State created the Company under the Oregon Limited Liability Company Act (the “**Act**”). The Member hereby organizes the Company, on the terms and conditions set forth in this Agreement and pursuant to the Act. The rights and obligations of the Company and its Member shall be as provided in the Act, except as otherwise expressly provided in this Agreement.

1.2 Purpose . The purpose of the Company is to engage in any lawful business, including, but not limited to, the collection and administration of advertising funds on behalf of the franchisees of Oil Can Henrys. The Company shall maintain two separate divisions and separate books and records for each such division. One division shall be known as the Advertising Fund and the second division shall be known as the System-Wide Advertising Fund.

1.3 Duration . The Articles set forth the life of the Company.

1.4 Registered Office and Agent . The registered office of the Company shall be located in the state of Oregon at the location designated in the Articles or at such other location as may be selected by the Member on the filing of any notices required by law. The initial registered agent shall be the person or entity designated as such in the Articles. The registered agent shall have a business office identical with such registered office.

1.5 Defects as to Formalities . A failure to observe any formalities or requirements of this Agreement, the Articles or the Act shall not be grounds for imposing personal liability on the Member for liabilities or obligations of the Company.

**SECTION 2. NAME, ADDRESS, MEMBERSHIP
INTEREST, AND CAPITAL CONTRIBUTION OF MEMBER**

2.1 Name, Address and Membership Interest . The name, address, initial capital contribution and membership interest of the Member are as follows:

2.1.1 Name and Address :

OCH International, Inc.
19150 SW 90th Avenue
Tualatin, OR 97062

2.1.2 **Initial Contribution** : The initial contribution consists of \$ 8,205.41 to be contributed to the Advertising Fund and \$ 52,441.82 to be contributed to the System-Wide Advertising Fund for a total initial contribution of \$ 60,647.23.

2.1.3 **Membership Interest of Member** : 100%

2.2 **Initial Contribution** . The Member shall contribute the consideration described in subsection 2.1.2 upon the Member's signing of this Agreement.

SECTION 3. MEMBER LIABILITY

The Member's liability shall be limited as set forth in this Agreement, the Act and other applicable law. The Member shall not be personally liable for any debts or losses of the Company, except as required by law or by this Section 3. If the Member rightfully receives the return, in whole or in part, of the Member's capital contribution to the Company, the Member is nevertheless liable to the Company only to the extent now or hereafter provided by the Act. If the Member receives a distribution by the Company that is in violation of Section 63.229 of the Act (i.e., made when the Company is unable to pay its debts as they become due in the ordinary course of business or made when the Company's liabilities exceed its assets (after giving effect to the distribution)) and if the Member knew, or should have known, that such distribution was at the time in violation of Section 63.229 of the Act, the Member is liable to the Company for a period of two (2) years after such distribution for the amount of the distribution.

SECTION 4. ACTIONS OF MEMBER; ORGANIZATIONAL MATTERS

4.1 **Actions of Member** . All determinations, approvals and actions with respect to the affairs of the Company shall be made by vote of the Member. Any such determination, approval or action required or permitted to be taken by the Member shall be approved if the Member votes in favor thereof, which vote may, at the Member's option, be documented by written consent or other written instrument. A record shall be maintained of the major determinations, approvals or actions of the Member with respect to the affairs of the Company, and shall be kept with the other books and records of the Company.

4.2 **Approval of Certain Organizational Matters** . By executing this Agreement, the Member hereby approves the following:

4.2.1 All items described in the attached Exhibit A; and

4.2.2 The establishment by the Company of one or more bank accounts for each of the divisions of the Company with any institution(s), the accounts or deposits of which are insured or guaranteed, subject to reasonable limitations, by an agency of the United States government.

SECTION 5. MANAGEMENT

5.1 **Management** . The management of the business and affairs of the Company and its property shall be vested in the Member.

5.2 **Books and Records** . Full and complete books and records, including those specified in Section 63.771 of the Act, shall be maintained by the Company at all times.

SECTION 6. DISTRIBUTIONS

6.1 **Net Cash** . It is anticipated that no cash will be distributed by the Company to its Member because the cash will be used for advertising purposes. However, nothing in this Section 6 shall preclude the Member from receiving reimbursement from the Company for funds advanced to the Company by the Member or preclude the Member from receiving a distribution from the Company consistent with the goals and objectives of the Oil Can Henrys advertising program.

6.2 **Limitations on Distributions** . Notwithstanding anything contained in this Agreement or the Articles to the contrary, no distribution shall be made to the Member in violation of the Act (including Section 63.229).

SECTION 7. INDEMNITY

The Company shall indemnify the Member and shall make advances for expenses, to the maximum extent permitted under the Act; provided, however, that this provision shall not eliminate or limit the Member's liability for:

- (a) Any breach of the Member's duty of loyalty to the Company as described in this Agreement;
- (b) Acts or omissions not in good faith that involve intentional misconduct or a knowing violation of law;
- (c) Any unlawful distribution under the Act; or
- (d) Any transaction from which the Member derives an improper personal benefit.

SECTION 8. DISSOLUTION AND WINDING UP

8.1 **Dissolution Events** . The Company shall dissolve and commence winding up and liquidating on the first to occur of any of the following (“ **Dissolution Event(s)** ”):

- 8.1.1 The vote of the Member to dissolve the Company;
- 8.1.2 The sale or other disposition (other than lease) of all or substantially all of the Company's property, unless the Member elects to continue the Company following the sale or disposition;
- 8.1.3 The death of the Member, unless the personal representative of the Member's estate elects to continue the Company following the Member's death; or

8.1.4 Any other event under Section 63.621 of the Act for which the Act does not permit elimination in the Articles or in this Agreement.

The foregoing events shall be the exclusive events that shall cause the dissolution and winding up of the Company.

8.2 **Winding Up** . Upon the occurrence of a Dissolution Event, the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors and Member, and the Member shall not take any action that is inconsistent with, or not necessary to or appropriate for the winding up of the Company's business and affairs. To the extent not inconsistent with the foregoing, all obligations in this Agreement shall continue in full force and effect until such time as the Company property has been distributed pursuant to this subsection 8.2 . The Member shall (1) be responsible for overseeing the winding up and dissolution of the Company, (2) take full account of the Company's liabilities and assets, (3) cause the Company property to be liquidated as promptly as is consistent with obtaining the fair value thereof, and (4) cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed as determined by the Member, subject to requirements of the Act or other applicable law.

8.3 **Notice of Dissolution** . If a Dissolution Event occurs and the Company is dissolved and liquidated, the Company shall, within thirty (30) days thereafter, provide written notice thereof to the Member and to all other parties with whom the Company regularly conducts business (as determined in the discretion of the Member) and shall comply with the notice and publication provisions of ORS 63.641 and ORS 63.644.

SECTION 9. GENERAL CONTRACT PROVISIONS

9.1 **Governing Law** . This Agreement shall be governed by and construed in accordance with the substantive laws of the state of Oregon.

9.2 **Savings Clause** . If any provision of this Agreement shall be held to be invalid and unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected hereby.

9.3 **No Third-Party Beneficiaries** . The provisions of this Agreement are intended solely for the benefit of the Member and shall create no rights enforceable by any third party, including creditors of the Company, except as otherwise required by the Act or other applicable law.

9.4 **Original Ownership** . The Company was originally known as "NPCK, LLC." The original owner of the Company, Randall B. Bateman, never used the Company for transacting any business and transferred the Membership Interests of the Company to OCH International, Inc. The Company was formally organized effective January 1, 2012, although Articles of Amendment to the Articles of Organization, changing the Company name, did not occur until April of 2012.

IN WITNESS WHEREOF, the Member has executed this Agreement with the intent that it be effective as of the Effective Date.

OCH INTERNATIONAL, INC., an Oregon corporation

By: /s/ Christopher J. Shepanek
Christopher J. Shepanek, CEO

EXHIBIT A

Items approved by Member as a part of organization of Company:

1. The Member, on behalf of the Company, is authorized to sign checks and withdrawals with respect to the Company's bank accounts established pursuant to subsection 4.2.2, together with any documents that may be required in connection with establishing and maintaining the Company's bank accounts.
2. The Company is authorized to borrow such funds as may be necessary or desirable to carry out the purposes of the Company as set forth in subsection 1.2, and Christopher J. Shepanek, as the CEO of the Member, on behalf of the Company, is authorized to execute such evidences of indebtedness and other instruments as may be required for such borrowing.



Phone: (503) 986-2200
Fax: (503) 378-4381

Articles of Organization – Limited Liability Company

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem, OR 97310-1327
www.FilingInOregon.com

REGISTRY NUMBER : 374875-92
For office use only

In accordance with Oregon Revised Statute 192.410-192.490, the information on this application is public record.
We must release this information to all parties upon request and it will be posted on our website. For office use only

Please Type or Print Legibly in Black Ink. Attach Additional Sheet if Necessary.

1) NAME (Must contain the words "Limited Liability Company" or the abbreviations "LLC" or "L.L.C.")

OCHI Holdings LLC

2) DURATION (Please check one)

Latest date upon which the Limited Liability Company is to dissolve is _____

Duration shall be perpetual

3) NAME OF THE INITIAL REGISTERED AGENT

Tower Registry LLC

4) REGISTERED AGENT'S PUBLICLY AVAILABLE ADDRESS (Must be an Oregon Street Address, which is identical to the registered agent's business office.)

888 SW Fifth Avenue, Suite 1250
Portland, OR 97204

5) ADDRESS WHERE THE DIVISION MAY MAIL NOTICES

888 SW Fifth Avenue, Suite 1250
Portland, OR 97204

6) NAME AND ADDRESS OF EACH ORGANIZER

Randall B. Bateman
888 SW Fifth Avenue, Suite 1250
Portland, OR 97204

7) IF THIS LIMITED LIABILITY COMPANY IS NOT MEMBER MANAGED, CHECK ONE BOX BELOW .

- This limited liability company is managed by a single manager.
- This limited liability company is managed by multiple manager(s).

8) IF RENDERING A PROFESSIONAL SERVICE OR SERVICES, DESCRIBE THE SERVICE (S) BEING RENDERED .

9) OPTIONAL PROVISIONS (Attach a separate sheet if necessary)

10) EXECUTION (The title for each sponsor must be "Organizer")

Signature
/s/ Randall B. Bateman

Printed Name
Randall B. Bateman

Title
Organizer
Organizer
Organizer

11) CONTACT NAME (To resolve questions with the Filing)

Sandy Newell

DAYTIME PHONE NUMBER (include area code)
(503) 972-9934

ATTACHMENT

ARTICLES OF ORGANIZATION
Limited Liability Company

OCHI HOLDINGS LLC

ARTICLE 9: OPTIONAL PROVISIONS TO ARTICLES OF ORGANIZATION

Limitation of Personal Liability and Indemnification . To the fullest extent permissible under the Oregon Limited Liability Company Act, as it exists on the date hereof or may hereafter be amended, (i) a member shall not be liable to the company or the other members for monetary damages for conduct as a member, and (ii) the company shall indemnify each of its members against all expense, liability, and loss (including, without limitation, attorney fees) incurred or suffered by such person by reason of or arising from the fact that such person is or was a member of the company, or is or was serving at the request of the company as a director, officer, partner, trustee, employee, or agent of another limited liability company, foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, and such indemnification shall continue as to a person who has ceased to be a director, officer, partner, trustee, employee, or agent and shall inure to the benefit of his or her heirs, executors, and administrators.

**OPERATING AGREEMENT
OF OCHI HOLDINGS LLC**

THIS OPERATING AGREEMENT OF OCHI HOLDINGS LLC (“ **Agreement** ”) is made and entered into effective as of July 28, 2006 by OCH INTERNATIONAL, INC., an Oregon corporation as the sole member (the “ **Member** ”).

SECTION 1. THE LIMITED LIABILITY COMPANY

1.1 **Formation** . The name of the limited liability company is OCHI Holdings LLC (the “ **Company** ”). The execution and filing of the Articles of Organization with the Oregon Secretary of State created the Company under the Oregon Limited Liability Company Act (the “ **Act** ”). The Member hereby organizes the Company, on the terms and conditions set forth in this Agreement and pursuant to the Act. The rights and obligations of the Company and its Member shall be as provided in the Act, except as otherwise expressly provided in this Agreement.

1.2 **Purpose** . The purpose of the Company is to engage in any lawful business, including, but not limited to, acquiring, holding, leasing, and disposing of real estate assets.

1.3 **Duration** . The Articles set forth the life of the Company.

1.4 **Registered Office and Agent** . The registered office of the Company shall be located in the state of Oregon at the location designated in the Articles or at such other location as may be selected by the Member on the filing of any notices required by law. The initial registered agent shall be the person or entity designated as such in the Articles. The registered agent shall have a business office identical with such registered office.

1.5 **Defects as to Formalities** . A failure to observe any formalities or requirements of this Agreement, the Articles or the Act shall not be grounds for imposing personal liability on the Member for liabilities or obligations of the Company.

**SECTION 2. NAME, ADDRESS, MEMBERSHIP
INTEREST, AND CAPITAL CONTRIBUTION OF MEMBER**

2.1 **Name, Address and Membership Interest** . The name, address, initial capital contribution and membership interest of the Member are as follows:

<u>Name and Address</u>	<u>Initial Contribution (agreed value and property contributed)</u>	<u>Membership Interest</u>
OCH International, Inc. 1200 NW Naito Parkway Suite 690 Portland, OR 97209	\$ 100,000.00	100%

2.2 Initial Contribution . The Member shall contribute the consideration described in subsection 2.1 upon the Member's signing of this Agreement. The value of the Member's initial contribution shall be as set forth in subsection 2.1 .

SECTION 3. MEMBER LIABILITY

The Member's liability shall be limited as set forth in this Agreement, the Act and other applicable law. The Member shall not be personally liable for any debts or losses of the Company, except as required by law or by this Section 3 . If the Member rightfully receives the return, in whole or in part, of the Member's capital contribution to the Company, the Member is nevertheless liable to the Company only to the extent now or hereafter provided by the Act. If the Member receives a distribution by the Company that is in violation of Section 63.229 of the Act (i.e., made when the Company is unable to pay its debts as they become due in the ordinary course of business or made when the Company's liabilities exceed its assets (after giving effect to the distribution)) and if the Member knew, or should have known, that such distribution was at the time in violation of Section 63.229 of the Act, the Member is liable to the Company for a period of two (2) years after such distribution for the amount of the distribution.

SECTION 4. ACTIONS OF MEMBER; ORGANIZATIONAL MATTERS

4.1 Actions of Member . All determinations, approvals and actions with respect to the affairs of the Company shall be made by vote of the Member. Any such determination, approval or action required or permitted to be taken by the Member shall be approved if the Member votes in favor thereof, which vote may, at the Member's option, be documented by written consent or other written instrument. A record shall be maintained of the major determinations, approvals or actions of the Member with respect to the affairs of the Company, and shall be kept with the other books and records of the Company.

4.2 Approval of Certain Organizational Matters . By executing this Agreement, the Member hereby approves the following:

4.2.1 all items described in the attached Exhibit A ;

4.2.2 The Company's assumption of the Member's obligations for all items described in the attached Exhibit A ;

4.2.3 Obtaining such financing as may be necessary in connection with all items described in the attached Exhibit A ; and

4.2.4 The establishment by the Company of one or more bank accounts with any institution, the accounts or deposits of which are insured or guaranteed, subject to reasonable limitations, by an agency of the United States government.

SECTION 5. MANAGEMENT

5.1 Management . The management of the business and affairs of the Company and its property shall be vested in the Member.

5.2 **Books and Records** . Full and complete books and records, including those specified in Section 63.771 of the Act, shall be maintained by the Company at all times.

SECTION 6. DISTRIBUTIONS

6.1 **Net Cash From Operations** . To the extent net cash from operations is available (as determined by the Member), and subject to subsection 6.2, the Company shall distribute to the Member net cash from operations in such amounts and at such intervals as are determined by the Member.

6.2 **Net Cash from Capital Events** . To the extent net cash is available from the destruction, sale or other disposition of some or all of the Company's property, or from any refinancing or any other capital event, the Company shall distribute to the Member net cash from such event in an amount determined by the Member.

6.3 **Limitations on Distributions** . Notwithstanding anything contained in this Agreement or the Articles to the contrary, no distribution shall be made to the Member in violation of the Act (including Section 63.229).

SECTION 7. INDEMNITY

The Company shall indemnify the Member and shall make advances for expenses, to the maximum extent permitted under the Act; provided, however, that this provision shall not eliminate or limit the Member's liability for:

- (a) Any breach of the Member's duty of loyalty to the Company as described in this Agreement;
- (b) Acts or omissions not in good faith that involve intentional misconduct or a knowing violation of law;
- (c) Any unlawful distribution under the Act; or
- (d) Any transaction from which the Member derives an improper personal benefit.

SECTION 8. DISSOLUTION AND WINDING UP

8.1 **Dissolution Events** . The Company shall dissolve and commence winding up and liquidating on the first to occur of any of the following (“ **Dissolution Event(s)** ”):

8.1.1 The vote of the Member to dissolve the Company;

8.1.2 The sale or other disposition (other than lease) of all or substantially all of the Company's property, unless the Member elects to continue the Company following the sale or disposition;

8.1.3 The death of the Member, unless the personal representative of the Member's estate elects to continue the Company following the Member's death; or

8.1.4 Any other event under Section 63.621 of the Act for which the Act does not permit elimination in the Articles or in this Agreement.

The foregoing events shall be the exclusive events that shall cause the dissolution and winding up of the Company.

8.2 **Winding Up** . Upon the occurrence of a Dissolution Event, the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors and Member, and the Member shall not take any action that is inconsistent with or not necessary to or appropriate for, the winding up of the Company's business and affairs. To the extent not inconsistent with the foregoing, all obligations in this Agreement shall continue in full force and effect until such time as the Company property has been distributed pursuant to this subsection 8.2. The Member shall (a) be responsible for overseeing the winding up and dissolution of the Company, (b) take full account of the Company's liabilities and assets, (c) cause the Company property to be liquidated as promptly as is consistent with obtaining the fair value thereof, and (d) cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed as determined by the Member, subject to requirements of the Act or other applicable law.

8.3 **Notice of Dissolution** . If a Dissolution Event occurs and the Company is dissolved and liquidated, the Company shall, within thirty (30) days thereafter, provide written notice thereof to the Member and to all other parties with whom the Company regularly conducts business (as determined in the discretion of the Member) and shall comply with the notice and publication provisions of ORS 63.641 and ORS 63.644.

SECTION 9. GENERAL CONTRACT PROVISIONS

9.1 **Governing Law** . This Agreement shall be governed by and construed in accordance with the substantive laws of the state of Oregon.

9.2 **Savings Clause** . If any provision of this Agreement shall be held to be invalid and unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected hereby.

9.3 **No Third Party Beneficiaries** . The provisions of this Agreement are intended solely for the benefit of the Member and shall create no rights enforceable by any third party, including creditors of the Company, except as otherwise required by the Act or other applicable law.

IN WITNESS WHEREOF, the Member has executed this Agreement as of the date set forth above.

OCH INTERNATIONAL, INC., an Oregon corporation

By: /s/ John A. Ayres Jr.

John A. Ayres Jr., President

Address: 1200 NW Naito Parkway

Suite 690

Portland, OR 97209

Telephone No.: (503) 243-6311

Facsimile No.: (503) 228-5227

EIN: 93-0980747

EXHIBIT A

Items approved by Member as part of the organization of the Company:

1. The Member, on behalf of the Company, is authorized to sign checks and withdrawals with respect to the Company's bank accounts established pursuant to subsection 4.2.4, together with any documents that may be required in connection with establishing and maintaining the Company's bank accounts.

2. The Member, on behalf of the Company, is authorized to execute such documents for assignment and transfer as may be necessary to assign and transfer to the Company the initial consideration for the membership interest as set forth in subsection 2.1.

3. The Company is authorized to lease from United Builders LLC the Premises (as defined in the Lease) located at 23635 Highway 99, Edmond, Washington 98026, pursuant to the terms of that certain Commercial Lease dated August , 2006 (" **Lease** ").

4. The Company is authorized to sublease the Premises to Robert Ahearn and Michele Ahearn pursuant to the terms of that certain Franchisee Sublease dated August , 2006 (" **Sublease** ").

5. John Ayers and/or John E. Shepanek are hereby authorized (either of them acting alone) to execute, on behalf of the Company, the Lease, Sublease, and all other instruments and documents relating to the lease and sublease of the Premises or contemplated by the Lease and the Sublease.

6. The authorizations set above may be relied upon by purchasers, title insurance companies, escrow companies, lenders and any other person, firm or entity involved in the lease of the Premises.

EXHIBIT A

Phone: (503) 986-2200
Fax: (503) 378-4381

Articles of Organization—Limited Liability Company

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem OR 97310-1327
FilingInOregon.com

REGISTRY NUMBER : 473608-96
For office use only

In accordance with Oregon Revised Statute 192.410-192.490, all information on this form is publicly available, including addresses. We must release this information to all parties upon request and it will be posted on our website. For office use only

Please Type or Print Legibly in **Black** ink. Attach Additional Sheet if Necessary.

1) **NAME OF LIMITED LIABILITY COMPANY** (Must contain the words “Limited Liability Company” or the abbreviations “LLC” or “L.L.C.”)
JCJ Investments LLC

2) **DURATION** (Please check one.)
 Latest date upon which the Limited Liability Company is to dissolve is _____.
 Duration shall be perpetual.

3) **NAME OF THE PERSON WHO WILL ACCEPT LEGAL SERVICE FOR THIS BUSINESS (INITIAL REGISTERED AGENT)**
Tower Registry LLC 272639-95

4) **REGISTERED AGENT’S PUBLICLY AVAILABLE ADDRESS** shall be an Oregon Street Address, which is identical to the registered agent’s business office.)
888 SW Fifth Avenue, Suite 1250
Portland, OR 97204

5) **ADDRESS WHERE THE DIVISION MAY MAIL NOTICES**
c/o Randall B. Bateman
888 SW Fifth Avenue, Suite 1250
Portland, OR 97204

6) **NAME AND ADDRESS OF EACH PERSON WHO IS FORMING THIS BUSINESS (ORGANIZER)**

Randall B. Bateman
888 SW Fifth Avenue, Suite 1250
Portland, OR 97204

7) **IF THE LIMITED LIABILITY COMPANY IS NOT MEMBER MANAGED, CHECK ONE BOX BELOW.**
 This limited liability company is managed by a single manager.
 This limited liability company is managed by multiple manager(s).

8) **IF RENDERING A LICENSED PROFESSIONAL SERVICE OR SERVICES, DESCRIBE THE SERVICE(S) BEING RENDERED :**

9) **OPTIONAL PROVISIONS :** (Attach a separate sheet if necessary.)

OPTIONAL) LIST MEMBERS AND/OR MANAGERS NAMES AND ADDRESSES

10) **OWNERS : (MEMBERS)** (Names and Street address)

11) **MANAGERS : (MANAGERS)** (Names and Street address)

ATTACHMENT

ARTICLES OF ORGANIZATION
Limited Liability Company

JCJ INVESTMENTS LLC

ARTICLE 9: OPTIONAL PROVISIONS TO ARTICLES OF ORGANIZATION

Limitation of Personal Liability and Indemnification . To the fullest extent permissible under the Oregon Limited Liability Company Act, as it exists on the date hereof or may hereafter be amended, (a) a member shall not be liable to the company or the other members for monetary damages for conduct as a member, and (b) the company shall indemnify each of its members against all expense, liability, and loss (including, without limitation, attorney fees) incurred or suffered by such person by reason of or arising from the fact that such person is or was a member of the company, or is or was serving at the request of the company as a director, officer, partner, trustee, employee, or agent of another limited liability company, foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, and such indemnification shall continue as to a person who has ceased to be a director, officer, partner, trustee, employee, or agent and shall inure to the benefit of his or her heirs, executors, and administrators.

Phone: (503) 986-2200
Fax: (503) 378-4381

Articles of Organization—Limited Liability Company

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem OR 97310-1327
FilingInOregon.com

Check the appropriate box below:
 ARTICLES OF AMENDMENT (Complete only 1, 2, 3, 6, 7)
 ARTICLES OF DISSOLUTION (Complete only 4, 5, 6, 7)

REGISTRY NUMBER: 473608-96

In accordance with Oregon Revised Statute 192.410-192.490, all information on this application is public record. We must release this information to all parties upon request and it will be posted on our website. For office use only

Please Type or Print Legibly in **Black** ink. Attach Additional Sheet if Necessary.

ARTICLES OF AMENDMENT ONLY

- 1) **ENTITY NAME**
JCJ Investments LLC
- 2) **THE FOLLOWING AMENDMENT(S) TO THE ARTICLES OF ORGANIZATION is MADE HEREBY,**
(State the article number(s) and set forth the article(s) as it is amended to read.)

1) Name: OCHI Holdings II LLC

- 3) **PLEASE CHECK THE APPROPRIATE STATEMENT**

- This amendment was adopted by the manger(s) without member action. Member action was not required.
Date of adoption of each amendment: _____
- This amendment(s) was approved by the members. 100 percent of the members approved the amendment(s).
Date of adoption of each amendment: March 1, 2008

ARTICLES OF DISSOLUTION ONLY

- 4) **NAME OF LIMITED LIABILITY COMPANY** _____
- 5) **DATE OF DISSOLUTION** _____
- 6) **EXECUTION** : (Must be signed by at least one member or manager.)

Signature
/s/ Christopher J. Shepanek

Printed Name
Christopher J. Shepanek

Title
CEO of sole Member, OCH
International, Inc.

- 13) **CONTACT NAME** : (To resolve questions with this filing)
Sandy Newell

DAYTIME PHONE NUMBER :
(Include area code)
(503) 972-9934

FEES
Required Processing Fee \$50 Confirmation Copy (Optional) \$5 Processing Fees are nonrefundable. Please make check payable to "Corporation Division"
NOTE : Fees may be paid with VISA or MasterCard. The card number and expiration date should be submitted on a separate sheet for your protection.

**OPERATING AGREEMENT
OF JCJ INVESTMENTS LLC**

THIS OPERATING AGREEMENT OF JCJ INVESTMENTS LLC (the “**Agreement**”) is made and entered into, effective as of the date the Articles of Organization of JCJ Investments LLC (“**Articles**”) are officially filed with the Oregon Secretary of State (the “**Effective Date**”), by OCH INTERNATIONAL, INC., an Oregon corporation, as the sole member (the “**Member**”).

SECTION 1. THE LIMITED LIABILITY COMPANY

1.1 **Formation** . The name of the limited liability company is JCJ Investments LLC (the “**Company**”). The execution and filing of the Articles with the Oregon Secretary of State created the Company under the Oregon Limited Liability Company Act (the “**Act**”). The Member hereby organizes the Company, on the terms and conditions set forth in this Agreement and pursuant to the Act, The rights and obligations of the Company and its Member shall be as provided in the Act, except as otherwise expressly provided in this Agreement.

1.2 **Purpose** . The purpose of the Company is to engage in any lawful business, including, but not limited to, investing in real property.

1.3 **Duration** . The Articles set forth the life of the Company.

1.4 **Registered Office and Agent** . The registered office of the Company shall be located in the state of Oregon at the location designated in the Articles or at such other location as may be selected by the Member on the filing of any notices required by law. The initial registered agent shall be the person or entity designated as such in the Articles. The registered agent shall have a business office identical with such registered office.

1.5 **Defects as to Formalities** . A failure to observe any formalities or requirements of this Agreement, the Articles or the Act shall not be grounds for imposing personal liability on the Member for liabilities or obligations of the Company.

**SECTION 2. NAME, ADDRESS, MEMBERSHIP
INTEREST, AND CAPITAL CONTRIBUTION OF MEMBER**

2.1 **Name, Address and Membership Interest** . The name, address, initial capital contribution and membership interest of the Member are as follows:

2.1.1 **Name and Address** :

OCH International, Inc.
1200 NW Naito Parkway, Suite 690
Portland, OR 97209-2829

2.1.2 **Initial Contribution** : \$5000.00 in cash

2.1.3 **Membership Interest of Member** : 100%

2.2 **Initial Contribution** . The Member shall contribute the consideration described in subsection 2.1.2 upon the Member's signing of this Agreement.

SECTION 3. MEMBER LIABILITY

The Member's liability shall be limited as set forth in this Agreement, the Act and other applicable law. The Member shall not be personally liable for any debts or losses of the Company, except as required by law or by this Section 3 . If the Member rightfully receives the return, in whole or in part, of the Member's capital contribution to the Company, the Member is nevertheless liable to the Company only to the extent now or hereafter provided by the Act. If the Member receives a distribution by the Company that is in violation of Section 63.229 of the Act (i.e., made when the Company is unable to pay its debts as they become due in the ordinary course of business or made when the Company's liabilities exceed its assets (after giving effect to the distribution)) and if the Member knew, or should have known, that such distribution was at the time in violation of Section 63.229 of the Act, the Member is liable to the Company for a period of two (2) years after such distribution for the amount of the distribution.

SECTION 4. ACTIONS OF MEMBER; ORGANIZATIONAL MATTERS

4.1 **Actions of Member** . All determinations, approvals and actions with respect to the affairs of the Company shall be made by vote of the Member. Any such determination, approval or action required or permitted to be taken by the Member shall be approved if the Member votes in favor thereof, which vote may, at the Member's option, be documented by written consent or other written instrument. A record shall be maintained of the major determinations, approvals or actions of the Member with respect to the affairs of the Company, and shall be kept with the other books and records of the Company.

4.2 **Approval of Certain Organizational Matters** . By executing this Agreement, the Member hereby approves the following:

4.2.1 All items described in the attached Exhibit A; and

4.2.2 The establishment by the Company of one or more bank accounts with any institution(s), the accounts or deposits of which are insured or guaranteed, subject to reasonable limitations, by an agency of the United States government.

SECTION 5. MANAGEMENT

5.1 **Management** . The management of the business and affairs of the Company and its property shall be vested in the Member.

5.2 **Books and Records** . Full and complete books and records, including those specified in Section 63.771 of the Act, shall be maintained by the Company at all times.

SECTION 6. DISTRIBUTIONS

6.1 **Net Cash From Operations** . To the extent net cash from operations is available (as determined by the Member), and subject to subsection 6.2, the Company shall distribute to the Member net cash from operations in such amounts and at such intervals as are determined by the Member.

6.2 Net Cash from Capital Events . To the extent net cash is available from the destruction, sale or other disposition of some or all of the Company's property, or from any refinancing or any other capital event, the Company shall distribute to the Member net cash from such event in an amount determined by the Member.

6.3 Limitations on Distributions . Notwithstanding anything contained in this Agreement or the Articles to the contrary, no distribution shall be made to the Member in violation of the Act (including Section 63.229).

SECTION 7. INDEMNITY

The Company shall indemnify the Member and shall make advances for expenses, to the maximum extent permitted under the Act; provided, however, that this provision shall not eliminate or limit the Member's liability for:

- (a) Any breach of the Member's duty of loyalty to the Company as described in this Agreement;
- (b) Acts or omissions not in good faith that involve intentional misconduct or a knowing violation of law;
- (c) Any unlawful distribution under the Act; or
- (d) Any transaction from which the Member derives an improper personal benefit.

SECTION 8. DISSOLUTION AND WINDING UP

8.1 Dissolution Events . The Company shall dissolve and commence winding up and liquidating on the first to occur of any of the following (" **Dissolution Event(s)** "):

- 8.1.1 The vote of the Member to dissolve the Company;
- 8.1.2 The sale or other disposition (other than lease) of all or substantially all of the Company's property, unless the Member elects to continue the Company following the sale or disposition;
- 8.1.3 The death of the Member, unless the personal representative of the Member's estate elects to continue the Company following the Member's death; or
- 8.1.4 Any other event under Section 63.621 of the Act for which the Act does not permit elimination in the Articles or in this Agreement.

The foregoing events shall be the exclusive events that shall cause the dissolution and winding up of the Company.

8.2 **Winding Up** . Upon the occurrence of a Dissolution Event, the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors and Member, and the Member shall not take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs. To the extent not inconsistent with the foregoing, all obligations in this Agreement shall continue in full force and effect until such time as the Company property has been distributed pursuant to this subsection 8.2. The Member shall (1) be responsible for overseeing the winding up and dissolution of the Company, (2) take full account of the Company's liabilities and assets, (3) cause the Company property to be liquidated as promptly as is consistent with obtaining the fair value thereof, and (4) cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed as determined by the Member, subject to requirements of the Act or other applicable law.

8.3 **Notice of Dissolution** . If a Dissolution Event occurs and the Company is dissolved and liquidated, the Company shall, within thirty (30) days thereafter, provide written notice thereof to the Member and to all other parties with whom the Company regularly conducts business (as determined in the discretion of the Member) and shall comply with the notice and publication provisions of ORS 63.641 and ORS 63.644.

SECTION 9. GENERAL CONTRACT PROVISIONS

9.1 **Governing Law** . This Agreement shall be governed by and construed in accordance with the substantive laws of the state of Oregon.

9.2 **Savings Clause** . If any provision of this Agreement shall be held to be invalid and unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected hereby.

9.3 **No Third-Party Beneficiaries** . The provisions of this Agreement are intended solely for the benefit of the Member and shall create no rights enforceable by any third party, including creditors of the Company, except as otherwise required by the Act or other applicable law.

IN WITNESS WHEREOF, the Member has executed this Agreement as of the Effective Date.

OCH INTERNATIONAL, INC., an Oregon corporation

By: /s/ Christopher J. Shepanek
Christopher J. Shepanek, CEO

EXHIBIT A

Items approved by Member as a part of organization of Company:

SHEARMAN & STERLING^{LLP}

599 LEXINGTON AVENUE | NEW YORK | NY | 10022-6069
WWW.SHEARMAN.COM | T +1.212.848.4000 | F +1.212.848.7179

November 17, 2017

Valvoline Inc.
100 Valvoline Way
Lexington, Kentucky 40509

Valvoline Inc.
Registration Statement on Form S-4

Ladies and Gentlemen:

We have acted as counsel to Valvoline Inc., a Kentucky corporation (the “Company”), in connection with the preparation and filing by the Company of a registration statement on Form S-4 (the “Registration Statement”) with the United States Securities and Exchange Commission (the “Commission”) under the Securities Act of 1933, as amended (the “Securities Act”), relating to the issuance of the Company’s (i) 5.500% Senior Notes due 2024 (the “2024 Exchange Notes”) and the full and unconditional guarantees, on a senior unsecured basis, as to the payment of principal and interest on the 2024 Exchange Notes (the “2024 Exchange Note Guarantees”) by each of the entities listed in the Registration Statement as guarantors (collectively, the “Guarantors”) and (ii) 4.375% Senior Notes due 2025 (the “2025 Exchange Notes”) and together with the 2024 Exchange Notes, the “Exchange Notes”) and the full and unconditional guarantees, on a senior unsecured basis, as to the payment of principal and interest on the 2025 Exchange Notes (the “2025 Exchange Note Guarantees”) and together with the 2024 Exchange Note Guarantees, the “Exchange Note Guarantees”) by each of the Guarantors.

Pursuant to the prospectus forming a part of the Registration Statement (the “Prospectus”), the Company is offering to exchange (the “Exchange Offers”) up to (i) \$375,000,000 aggregate principal amount of 2024 Exchange Notes for a like amount of its outstanding 5.500% Senior Notes due 2024 issued on July 20, 2016 (the “2024 Restricted Notes”), which have not been registered under the Securities Act, and to exchange the 2024 Exchange Note Guarantees for the full and unconditional guarantees, on a senior unsecured basis, as to the payment of principal and interest on the 2024 Restricted Notes by the Guarantors and (ii) \$400,000,000 aggregate principal amount of 2025 Exchange Notes for a like amount of its outstanding 4.375% Senior Notes due 2025 issued on August 8, 2017 (the “2025 Restricted Notes”), which have not been registered under the Securities Act, and to exchange the 2025 Exchange Note Guarantees for the full and unconditional guarantees, on a senior unsecured basis, as to the payment of principal and interest on the 2025 Restricted Notes by the Guarantors.

ABU DHABI | BEIJING | BRUSSELS | DUBAI | FRANKFURT | HONG KONG | LONDON | MENLO PARK | MILAN | NEW YORK
PARIS | ROME | SAN FRANCISCO | SÃO PAULO | SAUDI ARABIA* | SHANGHAI | SINGAPORE | TOKYO | TORONTO | WASHINGTON, DC

SHEARMAN & STERLING LLP IS A LIMITED LIABILITY PARTNERSHIP ORGANIZED IN THE UNITED STATES UNDER THE LAWS OF THE STATE OF DELAWARE, WHICH LAWS LIMIT THE PERSONAL LIABILITY OF PARTNERS.

*DR. SULTAN ALMASOUD & PARTNERS IN ASSOCIATION WITH SHEARMAN & STERLING LLP

The 2024 Exchange Notes and the 2024 Exchange Note Guarantees will be registered under the Securities Act as set forth in the Registration Statement and will be issued upon consummation of the Exchange Offers pursuant to the Indenture dated as of July 20, 2016, as supplemented by the First Supplemental Indenture dated as of September 26, 2016, by and among the Company, the Guarantors and U.S. Bank National Association, as trustee (the “Trustee”) (as amended and supplemented, the “2024 Indenture”). The 2025 Exchange Notes and the 2025 Exchange Note Guarantees will be registered under the Securities Act as set forth in the Registration Statement and will be issued upon consummation of the Exchange Offers pursuant to the Indenture dated as of August 8, 2017, by and among the Company, the Guarantors and the Trustee (the “2025 Indenture” and together with the 2024 Indenture, the “Indentures”).

In our capacity as counsel to the Company, we have reviewed originals or copies of the following documents:

- (a) The Indentures (including the Exchange Note Guarantees contained therein).
- (b) The Exchange Notes in global form to be executed by the Company.

The documents described in the foregoing clauses (a) and (b) are collectively referred to herein as the “Opinion Documents.”

We have also reviewed the following:

- (a) The Registration Statement.
- (b) The Prospectus.
- (c) The Registration Rights Agreement, dated as of September 26, 2016, by and among the Company, the Guarantors and Citigroup Global Markets Inc., as representative of the several initial purchasers named therein, relating to the 2024 Restricted Notes.
- (d) The Registration Rights Agreement, dated as of August 8, 2017, by and among the Company, the Guarantors and Citigroup Global Markets Inc., as representative of the several initial purchasers named therein, relating to the 2025 Restricted Notes.
- (e) Copies of the certificate of incorporation, articles of incorporation, certificate of formation, by-laws and operating agreement (as applicable) of each Guarantor named in Schedule A hereto under the heading “Covered Guarantors” (the “Covered Guarantors”), as amended through the date hereof.
- (f) Originals or copies of such other records of the Company and the Guarantors, certificates of public officials and officers of the Company and the Guarantors and agreements and other documents as we have deemed necessary as a basis for the opinions expressed below.

In our review of the Opinion Documents and other documents, we have assumed:

- (a) The genuineness of all signatures.
- (b) The authenticity of the originals of the documents submitted to us.
- (c) The conformity to authentic originals of any documents submitted to us as copies.
- (d) As to matters of fact, the truthfulness of the representations made in the Opinion Documents and in certificates of public officials and officers of the Company and the Guarantors.
- (e) That each of the Opinion Documents is the legal, valid and binding obligation of each party thereto, other than the Covered Guarantors, enforceable against each such party in accordance with its terms.
- (f) That:
 - (i) The Company and each Guarantor other than the Covered Guarantors (each, a “Non-Covered Guarantor”) is an entity validly existing under the laws of the jurisdiction of its organization.
 - (ii) The Company and each Non-Covered Guarantor has power and authority (corporate or otherwise) to execute, deliver and perform, and has duly authorized, executed and delivered (except to the extent Generally Applicable Law (as defined below) is applicable to such execution and delivery), the Opinion Documents to which it is a party.
 - (iii) The execution, delivery and performance by the Company and each Guarantor of the Opinion Documents to which it is a party do not and will not:
 - (A) except with respect to each Covered Guarantor, contravene its certificate or articles of incorporation, by-laws or other organizational documents; or
 - (B) except with respect to Generally Applicable Law, violate any law, rule or regulation applicable to it.
- (g) That the execution, delivery and performance by the Company and each Guarantor of the Opinion Documents to which it is a party do not and will not result in any conflict with or breach of any agreement or document binding on it.
- (h) That, except with respect to Generally Applicable Law, no authorization, approval, consent or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for the due execution, delivery or performance by the Company and each Guarantor of any Opinion Document to which it is a party or, if any such authorization, approval, consent, action, notice or filing is required, it has been duly obtained, taken, given or made and is in full force and effect.

We have not independently established the validity of the foregoing assumptions.

“Generally Applicable Law” means the federal law of the United States of America, and the law of the State of New York (including in each case the rules or regulations promulgated thereunder or pursuant thereto), that a New York lawyer exercising customary professional diligence would reasonably be expected to recognize as being applicable to the Company, the Guarantors, the Opinion Documents or the transactions governed by the Opinion Documents, and for purposes of assumption paragraphs (f) and (h) above and our opinions in paragraphs 2 and 3 below, the General Corporation Law and the Limited Liability Company Act of the State of Delaware with respect to the Covered Guarantors. Without limiting the generality of the foregoing definition of Generally Applicable Law, the term “Generally Applicable Law” does not include any law, rule or regulation that is applicable to the Company, the Guarantors, the Opinion Documents or such transactions solely because such law, rule or regulation is part of a regulatory regime applicable to any party to any of the Opinion Documents or any of its affiliates due to the specific assets or business of such party or such affiliate.

Based upon the foregoing and upon such other investigation as we have deemed necessary and subject to the qualifications set forth below, we are of the opinion that:

1. When the Exchange Notes have been duly executed and delivered by the Company and authenticated by the Trustee in accordance with the terms of the Indentures, and if and when issued upon consummation of the Exchange Offers as set forth in the Registration Statement, the Exchange Notes will be the legal, valid and binding obligations of the Company.
2. The Exchange Note Guarantees by the Covered Guarantors have been duly authorized by such Guarantors.
3. When the Exchange Notes have been duly executed and delivered by the Company upon consummation of the Exchange Offers as set forth in the Registration Statement, the Exchange Note Guarantees will be the legal, valid and binding obligations of each Guarantor.

Our opinions expressed above are subject to the following qualifications:

- (a) Our opinions are subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights generally (including without limitation all laws relating to fraudulent transfers).
- (b) Our opinions are also subject to the effect of general principles of equity, including without limitation concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law).

-
- (c) Our opinions are limited to Generally Applicable Law and we do not express any opinion herein concerning any other law. With respect to all matters of applicable law, other than the Generally Applicable Law, we have without any independent investigation on our part assumed the accuracy and, to the extent necessary in connection with the opinions contained herein, relied upon the opinions furnished to you of (i) Dinsmore & Shohl LLP, Kentucky counsel to the Company and (ii) Perkins Coie LLP, Oregon counsel to the Non-Covered Guarantors, in each case delivered to you on the date hereof, and our opinions are subject to the same assumptions, qualifications and limitations with respect to matters of relevant state law expressed in each such opinion.

This opinion letter is rendered to you in connection with the Exchange Offers.

This opinion letter speaks only as of the date hereof. We expressly disclaim any responsibility to advise you of any development or circumstance of any kind, including any change of law or fact, that may occur after the date of this opinion letter and which might affect the opinions expressed herein.

We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement and to the use of our name in the Prospectus contained therein under the caption "Legal Matters." In giving such consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act and the rules and regulations promulgated thereunder.

Very truly yours,

/s/ Shearman & Sterling LLP

IM/VN/GM
RA

SCHEDULE A

Covered Guarantors

<u>Guarantor Name</u>	<u>Jurisdiction of Formation</u>	<u>Type of Entity</u>
Valvoline US LLC	Delaware	Limited Liability Company
Valvoline LLC	Delaware	Limited Liability Company
Valvoline Licensing and Intellectual Property LLC	Delaware	Limited Liability Company
Valvoline Branded Finance, Inc.	Delaware	Corporation
Valvoline International Holdings Inc.	Delaware	Corporation
Valvoline Instant Oil Change Franchising, Inc.	Delaware	Corporation
Relocation Properties Management LLC	Delaware	Limited Liability Company
VIOC Funding, Inc.	Delaware	Corporation
Valvoline International, Inc.	Delaware	Corporation
Funding Corp. I	Delaware	Corporation

*Legal Counsel.*

DINSMORE & SHOHL LLP
Lexington Financial Center
250 West Main Street ^ Suite 1400
Lexington, KY 40507
www.dinsmore.com

November 17, 2017

Valvoline Inc.
100 Valvoline Way
Lexington, Kentucky 40509

Valvoline Inc.
Registration Statement on Form S-4

Ladies and Gentlemen:

We have acted as Kentucky counsel to Valvoline Inc., a Kentucky corporation (the "Company"), in connection with the preparation and filing by the Company of a registration statement on Form S-4 (the "Registration Statement") with the United States Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"). Pursuant to the prospectus forming part of the Registration Statement (the "Prospectus"), the Company is offering to exchange (the "Exchange Offers") up to (i) \$375,000,000 aggregate principal amount of the Company's 5.500% Senior Notes due 2024 (the "2024 Exchange Notes") and the related guarantees (the "2024 Exchange Note Guarantees"), in exchange for a like principal amount of the Company's currently outstanding unregistered 5.500% Senior Notes due 2024 (the "2024 Restricted Notes") and the related guarantees and (ii) up to \$400,000,000 aggregate principal amount of the Company's 4.375% Senior Notes due 2025 and the related guarantees (the "2025 Exchange Note Guarantees" and together with the 2024 Exchange Note Guarantees, the "Exchange Note Guarantees"), in exchange for a like principal amount of the Company's currently outstanding unregistered 4.375% Senior Notes due 2025 (the "2025 Restricted Notes" and together with the 2024 Restricted Notes, the "Restricted Notes") and the related guarantees (the "2025 Exchange Notes" and together with the 2024 Exchange Notes, the "Exchange Notes"). Each of the entities listed in the Registration Statement as guarantors (collectively, the "Guarantors") will provide the Exchange Note Guarantees to fully and unconditionally guarantee the Exchange Notes, on a senior unsecured basis, as to the payment of principal and interest on the Exchange Notes.

The 2024 Exchange Notes and the 2024 Exchange Note Guarantees will be registered under the Securities Act as set forth in the Registration Statement and will be issued pursuant to the Indenture dated as of July 20, 2016, as amended and supplemented by the First Supplemental Indenture dated as of September 26, 2016, by and among the Company, the Guarantors and U.S. Bank National Association, as trustee (the "Trustee") (as amended and supplemented, the "2024 Indenture"). The 2025 Exchange Notes and the 2025 Exchange Note Guarantees will be registered under the Securities Act as set forth in the Registration Statement and will be issued pursuant to the Indenture dated as of August 8, 2017, by and among the Company, the Guarantors and the Trustee (the "2025 Indenture" and together with the 2024 Indenture, the "Indentures").

In our capacity as Kentucky counsel to the Company, we have reviewed originals or copies of the following documents:

- (a) The Indentures.
- (b) The Exchange Notes in the form of Exhibit A to the Indentures.

The documents described in the foregoing clauses (a) and (b) are collectively referred to herein as the “Opinion Documents.”

We have also reviewed the following:

- (a) The Registration Statement.
- (b) The Prospectus.
- (c) The Registration Rights Agreement, dated as of September 26, 2016, by and among the Company, the Guarantors and Citigroup Global Markets Inc., as representative of the several initial purchasers named therein, relating to the 2024 Restricted Notes.
- (d) The Registration Rights Agreement, dated as of August 8, 2017, by and among the Company, the Guarantors and Citigroup Global Markets Inc., as representative of the several initial purchasers named therein, relating to the 2025 Restricted Notes.
- (e) A Certificate of Existence from the Secretary of State of the Commonwealth of Kentucky (the “Commonwealth”) dated November 17, 2017.
- (f) The Amended and Restated Articles of Incorporation of the Company, as amended (the “Articles”).
- (g) The Amended and Restated By-Laws of the Company (the “By-Laws”).
- (h) Such other documents as we have deemed necessary or appropriate as a basis for the opinions set forth below.

As to any facts material to the opinions expressed herein that were not independently established or verified, we have relied upon written certifications and statements of officers of the Company.

For the purposes of this opinion letter, we have assumed that: (i) each document submitted to us, and the information contained therein, is accurate, correct, true and complete; (ii) all documents submitted to us as originals are authentic and complete and all documents submitted to us as copies conform to the originals of such documents; and (iii) all signatures on each document examined by us are genuine. We also have assumed for purposes of this opinion letter that each

natural person signing any document reviewed by us had the legal capacity to do so, and that each party to the documents we have examined or relied upon (other than the Company) has the legal capacity and/or appropriate corporate authority, and has satisfied all legal requirements applicable to that party, to the extent necessary to make such documents enforceable against it.

We express no opinion as to the effect of (i) any bankruptcy, insolvency, reorganization, arrangement, fraudulent transfer, moratorium or other similar laws relating to or affecting the rights of creditors generally, or (ii) general principles of equity. Finally, we have not made an independent review of the laws of any state or jurisdiction other than the Commonwealth. Accordingly, we express no opinion as to the laws of any state or jurisdiction other than the Commonwealth, including any federal laws, rules or regulations of the United States of America.

Based upon the foregoing and upon such other investigation as we have deemed necessary and subject to the qualifications set forth below, we are of the opinion that:

1. The Company is a corporation validly existing and in good standing under the laws of the Commonwealth.
2. The Company has the corporate power to execute, deliver and perform its obligations under the Opinion Documents.
3. The Company has taken the corporate action necessary to duly authorize the execution, delivery and performance of its obligations under the Opinion Documents.
4. Each of the Indentures has been duly executed and delivered by the Company.
5. The execution and delivery of the Opinion Documents by the Company and the performance by the Company of its obligations thereunder do not violate the Company's Articles or its By-Laws.

The opinions expressed herein are qualified in the following respects:

1. The opinions expressed herein are based on laws in effect on the date hereof, which laws are subject to change with possible retroactive effect.
2. We express no opinion as to the validity of the existence of the Guarantors, nor of the power or authority of the Guarantors to enter into or perform their obligations under the Opinion Documents.
3. We express no opinion as to the enforceability of the documents described herein, or any provision contained within any such document.
4. We express no opinion as to compliance by any party, person or entity with any state blue sky laws or with antifraud or other provisions of any federal or state securities laws.
5. The foregoing opinion is rendered as of the date hereof. We assume no obligation to update such opinion to reflect facts or circumstances which may hereafter come to our attention or changes in the law which may hereafter occur.

This opinion letter is rendered to you in connection with the Exchange Offers.

The opinions expressed in this letter are provided as legal opinions only and not as guaranties or warranties of the matters discussed herein. Subject to the qualifications, limitations, exceptions, restrictions and assumptions set forth herein, this opinion letter is furnished to you and may be relied upon by Shearman & Sterling LLP for purposes of its opinion to you dated the date hereof and filed as Exhibit 5.1. We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement and to the use of our name in the Prospectus contained therein under the caption "Legal Matters." In giving this consent, we do not thereby admit that we are included in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission.

Very truly yours,

/s/ Dinsmore & Shohl LLP

DINSMORE & SHOHL LLP



1120 NW Couch Street
10th Floor
Portland, OR 97209-4128

+1.503.727.2000
+1.503.727.2222
PerkinsCoie.com

November 17, 2017

Valvoline Inc.
100 Valvoline Way
Lexington, Kentucky 40509

Re: Valvoline Inc. Registration Statement on Form S-4

Ladies and Gentlemen:

We have acted as Oregon counsel to each of OCH International, Inc., OCHI Advertising Fund LLC, OCHI Holdings LLC and OCHI Holdings II LLC (each an "Oregon Guarantor" and collectively, the "Oregon Guarantors"), in connection with the preparation and filing by Valvoline Inc., a Kentucky corporation (the "Company"), of a registration statement on Form S-4 (the "Registration Statement") with the United States Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), relating to the issuance of the Company's (i) 5.500% Senior Notes due 2024 (the "2024 Exchange Notes") and the full and unconditional guarantees, on a senior unsecured basis, as to the payment of principal and interest on the 2024 Exchange Notes (the "2024 Exchange Note Guarantees") by each of the entities listed in the Registration Statement as guarantors, which includes the Oregon Guarantors (collectively, the "Guarantors") and (ii) 4.375% Senior Notes due 2025 (the "2025 Exchange Notes" and together with the 2024 Exchange Notes, the "Exchange Notes") and the full and unconditional guarantees, on a senior unsecured basis, as to the payment of principal and interest on the 2025 Exchange Notes (the "2025 Exchange Note Guarantees" and together with the 2024 Exchange Note Guarantees, the "Exchange Note Guarantees") by each of the Guarantors.

Pursuant to the prospectus forming a part of the Registration Statement (the "Prospectus"), the Company is offering to exchange (the "Exchange Offers") up to (i) \$375,000,000 aggregate principal amount of 2024 Exchange Notes for a like amount of its outstanding 5.500% Senior Notes due 2024 issued on July 20, 2016 (the "2024 Restricted Notes"), which have not been registered under the Securities Act, and to exchange the 2024 Exchange Note Guarantees for the full and unconditional guarantees, on a senior unsecured basis, as to the payment of principal and interest on the 2024 Restricted Notes by the Guarantors and (ii) \$400,000,000 aggregate principal amount of 2025 Exchange Notes for a like amount of its outstanding 4.375% Senior Notes due 2025 issued on August 8, 2017 (the "2025 Restricted Notes"), which have not been registered under the Securities Act, and to exchange the 2025 Exchange Note Guarantees for the full and unconditional guarantees, on a senior unsecured basis, as to the payment of principal and interest on the 2025 Restricted Notes by the Guarantors.

The 2024 Exchange Notes and the 2024 Exchange Note Guarantees will be registered under the Securities Act as set forth in the Registration Statement and will be issued upon consummation of the Exchange Offers pursuant to the Indenture dated as of July 20, 2016, as supplemented by the First Supplemental Indenture dated as of September 26, 2016, by and among the Company, the Guarantors and U.S. Bank National Association, as trustee (the “Trustee”) (as amended and supplemented, the “2024 Indenture”). The 2025 Exchange Notes and the 2025 Exchange Note Guarantees will be registered under the Securities Act as set forth in the Registration Statement and will be issued upon consummation of the Exchange Offers pursuant to the Indenture dated as of August 8, 2017, by and among the Company, the Guarantors and the Trustee (the “2025 Indenture” and together with the 2024 Indenture, the “Indentures”).

A. Documents and Matters Examined

In connection with this opinion letter, we have examined originals or copies of such documents, records, certificates of public officials and certificates of officers and representatives of the Oregon Guarantors as we have considered necessary to provide a basis for the opinions expressed herein, including the following:

- A-1 the Indentures (including the Exchange Note Guarantees contained therein).
- A-2 the Exchange Notes in global form to be executed by the Company.
- A-3 the Registration Statement.
- A-4 the Prospectus.
- A-5 the Registration Rights Agreement, dated as of September 26, 2016, by and among the Company, the Guarantors and Citigroup Global Markets Inc., as representative of the several initial purchasers named therein, relating to the 2024 Restricted Notes.
- A-6 the Registration Rights Agreement, dated as of August 8, 2017, by and among the Company, the Guarantors and Citigroup Global Markets Inc., as representative of the several initial purchasers named therein, relating to the 2025 Restricted Notes.
- A-7 the Articles of Incorporation and Bylaws of OCH International, Inc. and the Articles of Organization and Operating Agreement of each of the other Oregon Guarantors (collectively, the “Organization Documents”); and

A-8 the Secretary's Certificates of each of the Oregon Guarantors dated September 26, 2016 and August 8, 2017.

The documents listed in A-1 and A-2 are collectively referred to herein as the "Transaction Documents."

As to matters of fact material to the opinions expressed herein, we have relied on (a) information in public authority documents, (b) information provided in certificates of officers/representatives of the Oregon Guarantors and (c) the representations and warranties of the Oregon Guarantors in the Transaction Documents. We have not independently verified the facts so relied on.

B. Assumptions

We have relied, without investigation, on the following assumptions:

- B-1 Original documents reviewed by us are authentic, copies of original documents reviewed by us conform to the originals and all signatures on executed documents are genuine.
- B-2 All individuals have sufficient legal capacity to perform their functions with respect to the Transaction Documents and the Exchange Offers.

C. Opinions

Based on the foregoing and subject to the qualifications and exclusions stated below, we express the following opinions:

- C-1 OCH International, Inc. is a corporation validly existing under the laws of the State of Oregon and each of the other Oregon Guarantors is a limited liability company validly existing under the laws of the State of Oregon.
- C-2 Each of the Oregon Guarantors has the corporate or limited liability company power to perform its obligations under each of the Transaction Documents to which it is a party.
- C-3 The execution, delivery and performance of each of the Transaction Documents has been duly authorized by all necessary corporate or limited liability company action on the part of the Oregon Guarantors, and each of the Indentures (including the Exchange Note Guarantees contained therein) has been duly executed and delivered by each of the Oregon Guarantors.
- C-4 Each of the Oregon Guarantors' execution, delivery and performance of the Transaction Documents to which it is a party do not and will not violate its Organization Documents.

D. Qualifications; Exclusions

The opinions expressed herein are subject to bankruptcy, insolvency and other similar laws affecting the rights and remedies of creditors generally and general principles of equity.

For purposes of expressing the opinions herein, we have examined the laws of the State of Oregon and our opinions are limited to such laws. We have not reviewed, nor are our opinions in any way predicated on an examination of, the laws of any other jurisdiction, and we expressly disclaim responsibility for advising you as to the effect, if any, that the laws of any other jurisdiction may have on the opinions set forth herein.

The opinions expressed herein (a) are limited to matters expressly stated herein, and no other opinions may be implied or inferred, including that we have performed any actions in order to provide the legal opinions and statements contained herein other than as expressly set forth, and (b) are as of the date hereof (except as otherwise noted above). We disclaim any undertaking or obligation to update these opinions for events and circumstances occurring after the date hereof (including changes in law or facts, or as to facts relating to prior events that are subsequently brought to our attention), or to consider their applicability or correctness as to persons or entities other than the addressees.

We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement and to the use of our name in the Prospectus contained therein under the caption "Legal Matters." In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or related rules. Subject to the foregoing, this opinion letter is furnished to you and may be relied upon by Shearman & Sterling LLP in connection with the Exchange Offers and the filing of the Registration Statement.

Very truly yours,

/s/ Perkins Coie LLP

PERKINS COIE LLP

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" in the Registration Statement (Form S-4) and related Prospectus of Valvoline Inc. and to the incorporation by reference therein of our reports dated November 17, 2017, with respect to the consolidated financial statements and schedule of Valvoline Inc. and Consolidated Subsidiaries, and the effectiveness of internal control over financial reporting of Valvoline Inc. and Consolidated Subsidiaries, included in its Annual Report (Form 10-K) for the year ended September 30, 2017, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Cincinnati, Ohio
November 17, 2017

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE**

Check if an Application to Determine Eligibility of a Trustee Pursuant to Section 305(b)(2)

U.S. BANK NATIONAL ASSOCIATION

(Exact name of Trustee as specified in its charter)

31-0841368
I.R.S. Employer Identification No.

800 Nicollet Mall
Minneapolis, Minnesota
(Address of principal executive offices)

55402
(Zip Code)

William Sicking
U.S. Bank National Association
425 Walnut Street
Cincinnati, Ohio 45202
(513) 632-4278
(Name, address and telephone number of agent for service)

Valvoline Inc.
(Issuer with respect to the Securities)

Kentucky
(State or other jurisdiction of
incorporation or organization)

30-0939371
(I.R.S. Employer
Identification No.)

100 Valvoline Way
Lexington, KY 40509
(Address of Principal Executive Offices)

40509
(Zip Code)

5.500% Senior Notes Due 2024
(Title of the Indenture Securities)

FORM T-1

Item 1. GENERAL INFORMATION. Furnish the following information as to the Trustee.

- a) *Name and address of each examining or supervising authority to which it is subject.*
Comptroller of the Currency
Washington, D.C.
- b) *Whether it is authorized to exercise corporate trust powers.*
Yes

Item 2. AFFILIATIONS WITH OBLIGOR. *If the obligor is an affiliate of the Trustee, describe each such affiliation.*

None

Items 3-15 *Items 3-15 are not applicable because to the best of the Trustee's knowledge, the obligor is not in default under any Indenture for which the Trustee acts as Trustee.*

Item 16. LIST OF EXHIBITS: *List below all exhibits filed as a part of this statement of eligibility and qualification.*

1. A copy of the Articles of Association of the Trustee.*
2. A copy of the certificate of authority of the Trustee to commence business, attached as Exhibit 2.
3. A copy of the certificate of authority of the Trustee to exercise corporate trust powers, attached as Exhibit 3.
4. A copy of the existing bylaws of the Trustee.**
5. A copy of each Indenture referred to in Item 4. Not applicable.
6. The consent of the Trustee required by Section 321(b) of the Trust Indenture Act of 1939, attached as Exhibit 6.
7. Report of Condition of the Trustee as of June 30, 2017 published pursuant to law or the requirements of its supervising or examining authority, attached as Exhibit 7.

* Incorporated by reference to Exhibit 25.1 to Amendment No. 2 to registration statement on S-4, Registration Number 333-128217 filed on November 15, 2005.

** Incorporated by reference to Exhibit 25.1 to registration statement on form S-3ASR, Registration Number 333-199863 filed on November 5, 2014.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the Trustee, U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility and qualification to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Cincinnati, State of Ohio on the 17th of November, 2017.

By: /s/ Bill Sicking

William Sicking

Vice President



CERTIFICATE OF CORPORATE EXISTENCE

I, Keith A. Noreika, Acting Comptroller of the Currency, do hereby certify that:

1. The Comptroller of the Currency, pursuant to Revised Statutes 324, et seq, as amended, and 12 USC 1, et seq, as amended, has possession, custody, and control of all records pertaining to the chartering, regulation, and supervision of all national banking associations.
2. "U.S. Bank National Association," Cincinnati, Ohio (Charter No. 24), is a national banking association formed under the laws of the United States and is authorized thereunder to transact the business of banking on the date of this certificate.

IN TESTIMONY WHEREOF, today, June 7, 2017, I have hereunto subscribed my name and caused my seal of office to be affixed to these presents at the U.S. Department of the Treasury, in the City of Washington, District of Columbia.



A handwritten signature in black ink, appearing to read "Keith A. Noreika".

Acting Comptroller of the Currency



CERTIFICATION OF FIDUCIARY POWERS

I, Keith A. Noreika, Acting Comptroller of the Currency, do hereby certify that:

1. The Office of the Comptroller of the Currency, pursuant to Revised Statutes 324, et seq, as amended, and 12 USC 1, et seq, as amended, has possession, custody, and control of all records pertaining to the chartering, regulation, and supervision of all national banking associations.
2. "U.S. Bank National Association," Cincinnati, Ohio (Charter No. 24), was granted, under the hand and seal of the Comptroller, the right to act in all fiduciary capacities authorized under the provisions of the Act of Congress approved September 28, 1962, 76 Stat. 668, 12 USC 92a, and that the authority so granted remains in full force and effect on the date of this certificate.

IN TESTIMONY WHEREOF, today, June 7, 2017, I have hereunto subscribed my name and caused my seal of office to be affixed to these presents at the U.S. Department of the Treasury, in the City of Washington, District of Columbia.



A handwritten signature in black ink, appearing to read "Keith A. Noreika".

Acting Comptroller of the Currency

Exhibit 6

CONSENT

In accordance with Section 321(b) of the Trust Indenture Act of 1939, the undersigned, U.S. BANK NATIONAL ASSOCIATION hereby consents that reports of examination of the undersigned by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Dated: November 17, 2017

By: /s/ Bill Sicking

William Sicking
Vice President

Exhibit 7
U.S. Bank National Association
Statement of Financial Condition
As of 6/30/2017

(\$000's)

	<u>6/30/2017</u>
Assets	
Cash and Balances Due From Depository Institutions	\$ 28,930,463
Securities	110,114,701
Federal Funds	51,218
Loans & Lease Financing Receivables	276,413,785
Fixed Assets	4,477,993
Intangible Assets	12,859,050
Other Assets	24,062,996
Total Assets	\$456,910,206
Liabilities	
Deposits	\$357,756,287
Fed Funds	998,184
Treasury Demand Notes	0
Trading Liabilities	878,885
Other Borrowed Money	33,876,373
Acceptances	0
Subordinated Notes and Debentures	3,800,000
Other Liabilities	12,866,522
Total Liabilities	\$410,176,251
Equity	
Common and Preferred Stock	18,200
Surplus	14,266,915
Undivided Profits	31,649,555
Minority Interest in Subsidiaries	799,285
Total Equity Capital	\$ 46,733,955
Total Liabilities and Equity Capital	\$456,910,206

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE**

Check if an Application to Determine Eligibility of a Trustee Pursuant to Section 305(b)(2)

U.S. BANK NATIONAL ASSOCIATION

(Exact name of Trustee as specified in its charter)

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I.R.S. Employer Identification No.

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(Address of principal executive offices)

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William Sicking
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(Name, address and telephone number of agent for service)

Valvoline Inc.
(Issuer with respect to the Securities)

Kentucky
(State or other jurisdiction of
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30-0939371
(I.R.S. Employer
Identification No.)

100 Valvoline Way
Lexington, KY 40509
(Address of Principal Executive Offices)

40509
(Zip Code)

4.375% Senior Notes Due 2025
(Title of the Indenture Securities)

FORM T-1

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- a) *Name and address of each examining or supervising authority to which it is subject.*
 Comptroller of the Currency
 Washington, D.C.
- b) *Whether it is authorized to exercise corporate trust powers.*
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Item 2. **AFFILIATIONS WITH OBLIGOR.** *If the obligor is an affiliate of the Trustee, describe each such affiliation.*

None

Items 3-15 *Items 3-15 are not applicable because to the best of the Trustee's knowledge, the obligor is not in default under any Indenture for which the Trustee acts as Trustee.*

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By: /s/ Bill Sicking

William Sicking

Vice President



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IN TESTIMONY WHEREOF, today, June 7, 2017, I have hereunto subscribed my name and caused my seal of office to be affixed to these presents at the U.S. Department of the Treasury, in the City of Washington, District of Columbia.



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Dated: November 17, 2017

By: /s/ Bill Sicking
William Sicking
Vice President

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(\$000's)

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Liabilities	
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Fed Funds	998,184
Treasury Demand Notes	0
Trading Liabilities	878,885
Other Borrowed Money	33,876,373
Acceptances	0
Subordinated Notes and Debentures	3,800,000
Other Liabilities	12,866,522
Total Liabilities	\$410,176,251
Equity	
Common and Preferred Stock	18,200
Surplus	14,266,915
Undivided Profits	31,649,555
Minority Interest in Subsidiaries	799,285
Total Equity Capital	\$ 46,733,955
Total Liabilities and Equity Capital	\$456,910,206

LETTER OF TRANSMITTAL

Valvoline Inc.

OFFERS TO EXCHANGE

**\$375,000,000 OUTSTANDING 5.500% SENIOR NOTES DUE 2024
FOR
REGISTERED 5.500% SENIOR NOTES DUE 2024**

**FULLY AND UNCONDITIONALLY GUARANTEED AS TO PAYMENT OF PRINCIPAL AND
INTEREST BY THE GUARANTORS**

AND

**\$400,000,000 OUTSTANDING 4.375% SENIOR NOTES DUE 2025
FOR
REGISTERED 4.375% SENIOR NOTES DUE 2025**

**FULLY AND UNCONDITIONALLY GUARANTEED AS TO PAYMENT OF PRINCIPAL AND
INTEREST BY THE GUARANTORS**

**PURSUANT TO THE PROSPECTUS
DATED , 2017**

**THE EXCHANGE OFFERS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON , 2017, UNLESS EXTENDED (THE
“EXPIRATION DATE”). TENDERS IN THE EXCHANGE OFFERS MAY BE WITHDRAWN AT ANY TIME PRIOR TO 12:00 MIDNIGHT, NEW
YORK CITY TIME, ON THE EXPIRATION DATE.**

The information agent and exchange agent for the exchange offers is:

U. S. Bank National Association

By Mail or in Person

U. S. Bank National Association
Attn: Corporate Actions
111 Fillmore Avenue
St. Paul, MN 55107-1402

By Email or Facsimile Transmission (for Eligible Institutions Only)

Email: cts.specfinance@usbank.com
Facsimile: (651) 466-7367

For Information and to Confirm by Telephone
(800) 934-6802

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OR TRANSMISSION OF INSTRUCTIONS VIA A FACSIMILE NUMBER, OTHER THAN AS SET FORTH ABOVE, WILL NOT CONSTITUTE A VALID DELIVERY. THE INSTRUCTIONS ACCOMPANYING THIS LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED. YOU MUST SIGN THIS LETTER OF TRANSMITTAL IN THE APPROPRIATE SPACE PROVIDED THEREFOR, WITH SIGNATURE GUARANTEE IF REQUIRED.

The undersigned hereby acknowledges receipt of the prospectus dated _____, 2017 (the “Prospectus”) of Valvoline Inc., a Kentucky corporation (“Valvoline”), and this Letter of Transmittal (or a facsimile thereof, the “Letter of Transmittal”), which together constitute Valvoline’s offers to exchange (the “exchange offers”) all of its issued and outstanding 5.500% Senior Notes due 2024 (the “2024 Restricted Notes”) for an equivalent principal amount of registered 5.500% Senior Notes due 2024 (the “2024 Exchange Notes”), and all of its outstanding 4.375% Senior Notes due 2025 (the “2025 Restricted Notes”) for an equivalent principal amount of registered 4.375% Senior Notes due 2025 (the “2025 Exchange Notes”), pursuant to a registration statement of which the Prospectus is a part. The 2024 Restricted Notes and the 2025 Restricted Notes are collectively referred to as the “Restricted Notes.” The 2024 Exchange Notes and the 2025 Exchange Notes are collectively referred to as the “Exchange Notes.” All references to the Exchange Notes and Restricted Notes include references to the related guarantees, as appropriate. The Restricted Notes were issued in private transactions on July 20, 2016 and August 8, 2017, respectively, which were not subject to the registration requirements of the Securities Act. Certain terms used but not defined herein have the respective meanings given to them in the Prospectus.

Valvoline reserves the right, at any time or from time to time, to extend the exchange offers at its discretion, in which event the term “Expiration Date” shall mean the latest date and time to which the exchange offers are extended.

This Letter of Transmittal is to be used by a holder of Restricted Notes if (i) Restricted Notes are to be physically forwarded herewith to the exchange agent or (ii) delivery of Restricted Notes is to be made by book-entry transfer to the account maintained by the exchange agent at The Depository Trust Company (“DTC”) pursuant to the procedures set forth in the Prospectus under the caption “The Exchange Offers — Procedures for Tendering Restricted Notes.” Tenders by book-entry transfer may also be made by delivering an agent’s message (as defined in the Prospectus) pursuant to DTC’s Automated Tender Offer Program in lieu of this Letter of Transmittal. DELIVERY OF DOCUMENTS TO THE BOOK-ENTRY TRANSFER FACILITY DOES NOT CONSTITUTE DELIVERY TO THE EXCHANGE AGENT.

The term “holder” with respect to the exchange offers means any person in whose name Restricted Notes are registered on the books of Valvoline or any other person who has obtained a properly completed bond power from the registered holder. The undersigned has completed, executed and delivered this Letter of Transmittal to indicate the action the undersigned desires to take with respect to the exchange offers. Holders who wish to tender their Restricted Notes must complete this Letter of Transmittal in its entirety.

Please read the entire Letter of Transmittal and the Prospectus carefully before checking any box below.

The instructions included with this Letter of Transmittal must be followed. Questions and requests for assistance for additional copies of the Prospectus and this Letter of Transmittal may be directed to the exchange agent.

List below the Restricted Notes to which this Letter of Transmittal relates. If the space below is inadequate, list the registered numbers and principal amounts on a separate signed schedule and affix the list to this Letter of Transmittal.

DESCRIPTION OF RESTRICTED NOTES TENDERED

Name(s) and Address(es) of Registered Holder(s) Exactly as Name(s) Appear(s) on the Restricted Notes. (Please Fill in, if Blank).	Tendered Restricted Note(s)			
	Series of Restricted Notes (Please check applicable boxes)	Certificate Number(s)*	Aggregate Principal Amount Represented by Restricted Notes*	Principal Amount Tendered**
	<input type="checkbox"/> 5.500% Senior Notes Due 2024			
	<input type="checkbox"/> 4.375% Senior Notes Due 2025			
	Total Principal Amount			

- * Need not be completed if Restricted Notes are being transferred by book-entry transfer. Such holders should check the boxes below as appropriate and provide the requested information.
- ** Unless otherwise indicated, any tendering holder of Restricted Notes will be deemed to have tendered the entire aggregate principal amount represented by such Restricted Notes. Notes may be tendered and accepted for payment only in principal amounts equal to minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted.

- CHECK HERE IF TENDERED RESTRICTED NOTES ARE ENCLOSED HEREWITH.**
- CHECK HERE IF TENDERED RESTRICTED NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH DTC AND COMPLETE THE FOLLOWING (FOR USE BY ELIGIBLE INSTITUTIONS ONLY):**

Name of Tendering Institution: _____

Account Number: _____

Transaction Code Number: _____

- CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO:**

Name: _____

Address: _____

SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

Subject to the terms and conditions of the exchange offers, the undersigned hereby tenders to Valvoline for exchange the principal amount of Restricted Notes indicated above. Subject to and effective upon the acceptance for exchange of the principal amount of Restricted Notes tendered in accordance with this Letter of Transmittal, the undersigned hereby exchanges, assigns and transfers to Valvoline all right, title and interest in and to the Restricted Notes tendered for exchange hereby. The undersigned hereby irrevocably constitutes and appoints the exchange agent, as its agent, attorney-in-fact and proxy (with full knowledge that the exchange agent also is acting as the agent of Valvoline in connection with the exchange offers) with respect to the tendered Restricted Notes with full power of substitution to:

- deliver such Restricted Notes, or transfer ownership of such Restricted Notes on the account books maintained by DTC, to Valvoline and deliver all accompanying evidence of transfer and authenticity, and
- present such Restricted Notes for transfer on the books of Valvoline and receive all benefits and otherwise exercise all rights of beneficial ownership of such Restricted Notes,

all in accordance with the terms of the exchange offers. The power of attorney granted in this paragraph shall be deemed to be irrevocable and coupled with an interest.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, exchange, assign and transfer the Restricted Notes tendered hereby and to acquire the Exchange Notes issuable upon the exchange of such tendered Restricted Notes, and that Valvoline will acquire good and unencumbered title to the Restricted Notes, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim, when the same are accepted for exchange by Valvoline.

The undersigned acknowledge(s) that these exchange offers are being made in reliance upon interpretations contained in no-action letters issued to third parties by the staff of the Securities and Exchange Commission (the "SEC"), including *Exxon Capital Holdings Corporation*, SEC No-Action Letter (available April 13, 1988), *Morgan Stanley & Co. Incorporated*, SEC No-Action Letter (available June 5, 1991), *Shearman & Sterling*, SEC No-Action Letter (available July 2, 1993) and *Brown & Wood LLP*, SEC No-Action Letter (available February 7, 1997), that the Exchange Notes issued in exchange for the Restricted Notes pursuant to the exchange offers may be offered for resale, resold and otherwise transferred by holders thereof (other than a broker-dealer who purchased Restricted Notes exchanged for such Exchange Notes directly from Valvoline to resell pursuant to Rule 144A or any other available exemption under the Securities Act or a person that is an "affiliate" of Valvoline within the meaning of Rule 405 under the Securities Act), without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that such Exchange Notes are acquired in the ordinary course of such holders' business and such holders are not participating in, and have no arrangement with any person to participate in, the distribution of such Exchange Notes. The undersigned specifically represent(s) to Valvoline that:

- it is not an affiliate of Valvoline within the meaning of Rule 405 of the Securities Act or, if it is such an affiliate, it will comply with the registration and prospectus delivery requirements of the Securities Act, to the extent applicable;
- it is not participating, and it has no arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of the Exchange Notes in violation of the provisions of the Securities Act;
- if it is a broker-dealer, it has not entered into any arrangement or understanding with Valvoline or any of Valvoline's affiliates to distribute the Exchange Notes;
- it is acquiring the Exchange Notes in the ordinary course of its business; and
- it is not acting on behalf of any person or entity that could not truthfully make these representations.

If the exchange offeree is a broker-dealer holding Restricted Notes acquired for its own account as a result of market-making activities or other trading activities, it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of Exchange Notes received in respect of such Restricted Notes pursuant to the exchange offers.

If the undersigned is a broker-dealer that will receive Exchange Notes for its own account in exchange for Restricted Notes, it acknowledges and represents that (i) such outstanding Restricted Notes were acquired by it as a result of market-making activities or other trading activities and (ii) it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Notes; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

The undersigned acknowledges that if the undersigned is participating in the exchange offers for the purpose of distributing the Exchange Notes:

- the undersigned cannot rely on the position of the staff of the SEC enunciated in Morgan Stanley and Co., Inc. (available June 5, 1991) and Exxon Capital Holdings Corporation (available May 13, 1988), as interpreted in the SEC’s letter to Shearman & Sterling dated July 2, 1993, and similar no-action letters, and, in the absence of an exemption therefrom, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any secondary resale transaction of the Exchange Notes, in which case the registration statement must contain the selling security holder information required by Item 507 or Item 508, as applicable, of Regulation S-K of the SEC; and
- failure to comply with such requirements in such instance could result in the undersigned incurring liability for which the undersigned is not indemnified by Valvoline.

The undersigned will, upon request, execute and deliver any additional documents deemed by the exchange agent or Valvoline to be necessary or desirable to complete the exchange, assignment and transfer of the Restricted Notes tendered hereby, including the transfer of such Restricted Notes on the account books maintained by DTC.

For purposes of the exchange offers, Valvoline shall be deemed to have accepted for exchange validly tendered Restricted Notes when, as and if Valvoline gives oral or written notice thereof to the exchange agent. Any tendered Restricted Notes that are not accepted for exchange pursuant to the exchange offers for any reason will be returned, without expense (subject to Instruction 6), to the undersigned at the address shown below or at a different address as may be indicated herein under “Special Delivery Instructions” as promptly as practicable after the expiration date.

All authority conferred or agreed to be conferred by this Letter of Transmittal shall survive the death, incapacity or dissolution of the undersigned, and every obligation of the undersigned under this Letter of Transmittal shall be binding upon the undersigned’s heirs, personal representatives, successors and assigns.

The undersigned acknowledges that the acceptance of properly tendered Restricted Notes by Valvoline pursuant to the procedures described under the caption “The Exchange Offers — Procedures for Tendering Restricted Notes” in the Prospectus and in the instructions hereto will constitute a binding agreement between the undersigned and Valvoline upon the terms and subject to the conditions of the exchange offers.

Unless otherwise indicated under “Special Issuance Instructions,” please issue the Exchange Notes issued in exchange for the Restricted Notes accepted for exchange, and return any Restricted Notes not tendered or not exchanged, in the name(s) of the undersigned. Similarly, unless otherwise indicated under “Special Delivery Instructions,” please mail or deliver the Exchange Notes issued in exchange for the Restricted Notes accepted for exchange and any Restricted Notes not tendered or not exchanged (and accompanying documents, as appropriate) to the undersigned at the address shown below the undersigned’s signature(s). In the event that both “Special Issuance Instructions” and “Special Delivery Instructions” are completed, please issue the Exchange Notes issued in exchange for the Restricted Notes accepted for exchange in the name(s) of, and return any Restricted Notes not tendered or not exchanged to, the person(s) so indicated. The undersigned recognizes that Valvoline has no obligation pursuant to the “Special Issuance Instructions” and “Special Delivery Instructions” to transfer any Restricted Notes from the name of the registered holder(s) thereof if Valvoline does not accept for exchange any of the Restricted Notes so tendered for exchange.

SPECIAL ISSUANCE INSTRUCTIONS
(See Instructions 4 and 5)

To be completed ONLY (i) if Restricted Notes in a principal amount not tendered, or Exchange Notes issued in exchange for Restricted Notes accepted for exchange, are to be issued in the name of someone other than the undersigned, or (ii) if Restricted Notes tendered by book-entry transfer that are not exchanged are to be returned by credit to an account maintained at DTC other than the account indicated above.

Issue Exchange Notes and/or Restricted Notes to:

Name:

(Please Print or Type)

Address:

(Include Zip Code)

(Tax Identification or Social Security Number)
(See IRS Form W-9 Included Herein)

Credit unexchanged Restricted Notes delivered by book-entry transfer to DTC account number set forth below:

DTC account number:

(Please Complete IRS Form W-9 Herein, See Instruction 7)

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 4 and 5)

To be completed ONLY if Restricted Notes in a principal amount not tendered, or Exchange Notes issued in exchange for Restricted Notes accepted for exchange, are to be mailed or delivered to someone other than the undersigned, or to the undersigned at an address other than that shown below the undersigned's signature.

Mail or deliver Exchange Notes and/or Restricted Notes to:

Name:

(Please Print or Type)

Address:

(Include Zip Code)

(Tax Identification or Social Security Number)
(See IRS Form W-9 Included Herein)

IMPORTANT
PLEASE SIGN HERE WHETHER OR NOT RESTRICTED NOTES
ARE BEING PHYSICALLY TENDERED HEREBY
(Complete Accompanying Substitute Form W-9 on Reverse Side)

X: _____

X: _____

(Signature(s) of Registered Holder(s) of Restricted Notes)

Dated: _____, 2017

(The above lines must be signed by the registered holder(s) of Restricted Notes as name(s) appear(s) on the Restricted Notes or on a security position listing, or by person(s) authorized to become registered holder(s) by a properly completed bond power from the registered holder(s), a copy of which must be transmitted with this Letter of Transmittal. If Restricted Notes to which this Letter of Transmittal relate are held of record by two or more joint holders, then all such holders must sign this Letter of Transmittal. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, then such person must set forth his or her full title below and, unless waived by Valvoline, submit evidence satisfactory to Valvoline of such person's authority so to act. See Instruction 4 regarding the completion of this Letter of Transmittal, printed below.)

Name: _____

(Please Type or Print)

Capacity: _____

Address: _____

(Include Zip Code)

Address Code and Telephone Number: _____

SIGNATURE GUARANTEE
(If Required by Instruction 4)

Certain signatures must be guaranteed by an eligible institution.

Signature(s) guaranteed by an eligible institution: _____

(Authorized Signature)

(Title)

(Name of Firm)

(Address, Include Zip Code)

(Area Code and Telephone Number)

Dated: _____, 2017

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER

1. *Delivery of this Letter of Transmittal and Restricted Notes or Book-Entry Confirmations* . All physically delivered Restricted Notes or any confirmation of a book-entry transfer to the exchange agent's account at DTC of Restricted Notes tendered by book-entry transfer (a "book-entry confirmation"), as well as a properly completed and duly executed copy of this Letter of Transmittal (or facsimile hereof) or agent's message (as defined in the Prospectus) in lieu thereof, and any other documents required by this Letter of Transmittal, must be received by the exchange agent at its address set forth herein prior to 12:00 midnight, New York City time, on the expiration date. The method of delivery of the tendered Restricted Notes, this Letter of Transmittal and all other required documents to the exchange agent is at the election and risk of the holder and, except as otherwise provided below, the delivery will be deemed made only when actually received or confirmed by the exchange agent. Instead of delivery by mail, it is recommended that the holder use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure delivery to the exchange agent before the expiration date. No Letter of Transmittal or Restricted Notes should be sent to Valvoline.

2. *Tender by Holder* . Only a holder of Restricted Notes may tender such Restricted Notes in the exchange offers. Any beneficial owner of Restricted Notes who is not the registered holder and who wishes to tender should arrange with the registered holder to execute and deliver this Letter of Transmittal on his or her behalf or must, prior to completing and executing this Letter of Transmittal and delivering his or her Restricted Notes, either make appropriate arrangements to register ownership of the Restricted Notes in such beneficial owner's name or obtain a properly completed bond power from the registered holder.

3. *Partial Tenders* . Tenders of Restricted Notes will be accepted only in a minimum denomination of \$2,000 and integral multiples of \$1,000 in excess of \$2,000. Holders who tender less than all of their Restricted Notes must continue to hold Restricted Notes in the minimum denomination of \$2,000. If less than the entire principal amount of any Restricted Notes is tendered, the tendering holder should fill in the principal amount tendered in the third column of the box titled "Description of Restricted Notes Tendered" above. The entire principal amount of Restricted Notes delivered to the exchange agent will be deemed to have been tendered unless otherwise indicated. If the entire principal amount of all Restricted Notes is not tendered, then Restricted Notes for the principal amount of Restricted Notes not tendered and Exchange Notes issued in exchange for any Restricted Notes accepted will be sent to the holder at his or her registered address, unless a different address is provided in the appropriate box on this Letter of Transmittal, promptly after the Restricted Notes are accepted for exchange.

4. *Signatures on this Letter of Transmittal; Bond Powers and Endorsements; Guarantee of Signatures* . If this Letter of Transmittal (or facsimile hereof) is signed by the record holder(s) of the Restricted Notes tendered hereby, the signature must correspond with the name(s) as written on the face of the Restricted Notes without alteration, enlargement or any change whatsoever. If this Letter of Transmittal (or facsimile hereof) is signed by a participant in DTC, the signature must correspond with the name as it appears on the security position listing as the holder of the Restricted Notes.

If this Letter of Transmittal (or facsimile hereof) is signed by the registered holder or holders of Restricted Notes listed and tendered hereby and the Exchange Notes issued in exchange therefor are to be issued (or any untendered principal amount of Restricted Notes is to be reissued) to the registered holder, the said holder need not and should not endorse any tendered Restricted Notes, nor provide a separate bond power. In any other case, such holder must either properly endorse the Restricted Notes tendered or transmit a properly completed separate bond power with this Letter of Transmittal, with the signatures on the endorsement or bond power guaranteed by an eligible institution.

If this Letter of Transmittal (or facsimile hereof) is signed by a person other than the registered holder or holders of any Restricted Notes listed, such Restricted Notes must be endorsed or accompanied by appropriate bond powers, in each case signed as the name of the registered holder (or holders) appears on the Restricted Notes.

If this Letter of Transmittal (or facsimile hereof) or any Restricted Notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and, unless waived by Valvoline, evidence satisfactory to Valvoline of their authority to act must be submitted with this Letter of Transmittal.

Endorsements on Restricted Notes or signatures on bond powers required by this Instruction 4 must be guaranteed by an eligible institution.

No signature guarantee is required if:

- this Letter of Transmittal (or facsimile hereof) is signed by the registered holder(s) of the Restricted Notes tendered herein (or by a participant in DTC whose name appears on a security position listing as the owner of the tendered Restricted Notes) and the Exchange Notes are to be issued directly to such registered holder(s) (or, if signed by a participant in DTC, deposited to such participant's account at DTC) and neither the box entitled "Special Delivery Instructions" nor the box entitled "Special Issuance Instructions" has been completed; or
- such Restricted Notes are tendered for the account of an eligible institution.

In all other cases, all signatures on this Letter of Transmittal (or facsimile hereof) must be guaranteed by an eligible institution.

5. *Special Issuance and Delivery Instructions*. Tendering holders should indicate, in the applicable box or boxes, the name and address (or account at the book-entry transfer facility) to which Exchange Notes or substitute Restricted Notes for principal amounts not tendered or not accepted for exchange are to be issued or sent, if different from the name and address of the person signing this Letter of Transmittal. In the case of issuance in a different name, the taxpayer identification or social security number of the person named must also be indicated.

6. *Transfer Taxes*. Valvoline will pay all transfer taxes, if any, applicable to the exchange of Restricted Notes pursuant to the exchange offers. If, however, Exchange Notes or Restricted Notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be registered or issued in the name of, any person other than the registered holder of the Restricted Notes tendered hereby, or if tendered Restricted Notes are registered in the name of any person other than the person signing this Letter of Transmittal, or if a transfer tax is imposed for any reason other than the exchange of Restricted Notes pursuant to the exchange offers, then the amount of any such transfer taxes (whether imposed on the registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with this Letter of Transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

EXCEPT AS PROVIDED IN THIS INSTRUCTION 6, IT WILL NOT BE NECESSARY FOR TRANSFER TAX STAMPS TO BE AFFIXED TO THE RESTRICTED NOTES LISTED IN THIS LETTER OF TRANSMITTAL.

7. *Taxpayer Identification Number; Backup Withholding; IRS Form W-9*. U.S. federal income tax laws generally require that a tendering holder provides the exchange agent with such holder's correct Taxpayer Identification Number ("TIN") on IRS Form W-9, Request for Taxpayer Identification Number and Certification, below (the "IRS Form W-9"), which in the case of a holder who is an individual, is his or her social security number. If the tendering holder is a non-resident alien or a foreign entity, other requirements (as described below) will apply. If the exchange agent is not provided with the correct TIN or an adequate basis for an exemption from backup withholding, such tendering holder may be subject to a \$50 penalty imposed by the Internal Revenue Service (the "IRS"). In addition, failure to provide the exchange agent with the correct TIN or an adequate basis for an exemption from backup withholding may result in backup withholding on payments made to the tendering holder pursuant to the exchange offers at a current rate of 28%. If withholding results in an overpayment of taxes, the holder may obtain a refund from the IRS.

Exempt holders of the Restricted Notes (including, among others, all corporations) are not subject to these backup withholding and reporting requirements. See the enclosed Instructions for the Requester of Form W-9 (the "W-9 Guidelines") for additional instructions.

To prevent backup withholding, each tendering holder that is a U.S. person (including a resident alien) must provide its correct TIN by completing the IRS Form W-9 set forth below, certifying, under penalties of perjury, that (a) such holder is a U.S. person (including a resident alien), (b) the TIN provided is correct (or that such Holder is awaiting a TIN), (c) such holder is not subject to backup withholding because (i) such holder is exempt from backup withholding, or (ii) such holder has not been notified by the IRS that such holder is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified such holder that such holder is no longer subject to backup withholding and (d) the Foreign Account Tax Compliance Act (FATCA) code(s) entered on the IRS Form W-9 (if any) indicating the holder is exempt from FATCA reporting is correct. If a tendering holder has been notified by the IRS that such holder is subject to backup withholding, such holder must cross out item (2) on the Form W-9, unless such holder has since been notified by the IRS that such holder is no longer subject to backup withholding. If the Restricted Notes are in more than one name or are not in the name of the actual owner, such holder should consult the W-9 Guidelines for information on which TIN to report. If such holder does not have a TIN, such Holder should consult the W-9 Guidelines for instructions on applying for a TIN, write "Applied For" in the space reserved for the TIN, as shown on IRS Form W-9. Note: Writing "Applied For" on the IRS Form W-9 means that such holder has already applied for a TIN or that such holder intends to apply for one in the near future. If such holder does not provide its TIN to the exchange agent within 60 days, backup withholding will begin and continue until such holder furnishes its TIN to the exchange agent.

A tendering holder that is a non-resident alien or a foreign entity must submit the appropriate completed IRS Form W-8 (generally IRS Form W-8BEN or W-8BEN-E, as applicable, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting) to avoid backup withholding. The appropriate form may be obtained via the IRS website at www.irs.gov or by contacting the exchange agent at the address on the face of this Letter of Transmittal.

FAILURE TO COMPLETE IRS FORM W-9, IRS FORM W-8BEN, IRS FORM W-8BEN-E OR ANOTHER APPROPRIATE FORM MAY RESULT IN BACKUP WITHHOLDING AT THE RATE DESCRIBED ABOVE ON ANY PAYMENTS MADE TO YOU PURSUANT TO THE EXCHANGE OFFERS.

8. *Validity of Tenders* . All questions as to the validity, form, eligibility (including time of receipt), acceptance and withdrawal of tendered Restricted Notes will be determined by Valvoline in its sole discretion, which determination will be final and binding. Valvoline reserves the absolute right to reject any and all Restricted Notes not properly tendered or any Restricted Notes the acceptance of which would, in the opinion of Valvoline or its counsel, be unlawful. Valvoline also reserves the absolute right to waive any conditions of the exchange offers or defects or irregularities in tenders as to particular Restricted Notes. The interpretation of the terms and conditions by Valvoline of the exchange offers (which includes this Letter of Transmittal and the instructions hereto) shall be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Restricted Notes must be cured within such time as Valvoline shall determine. Neither Valvoline, the exchange agent nor any other person shall be under any duty to give notification of defects or irregularities with regard to tenders of Restricted Notes nor shall any of them incur any liability for failure to give such information.

9. *Waiver of Conditions* . Valvoline reserves the absolute right to waive, in whole or in part, any of the conditions to the exchange offers set forth in the Prospectus.

10. *No Conditional Tender* . No alternative, conditional, irregular or contingent tender of Restricted Notes or transmittal of this Letter of Transmittal will be accepted.

11. *Mutilated, Lost, Stolen or Destroyed Restricted Notes* . Any holder whose Restricted Notes have been mutilated, lost, stolen or destroyed should contact the exchange agent at the address indicated above for further instructions.

12. *Requests for Assistance or Additional Copies* . Requests for assistance or for additional copies of the Prospectus or this Letter of Transmittal may be directed to the exchange agent at the address or telephone number set forth on the cover page of this Letter of Transmittal. Holders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the exchange offers.

13. *Withdrawal* . Tenders may be withdrawn only pursuant to the withdrawal rights set forth in the Prospectus under the caption "The Exchange Offers — Withdrawal of Tenders."

IMPORTANT: THIS LETTER OF TRANSMITTAL OR A MANUALLY SIGNED FACSIMILE HEREOF OR AN AGENT'S MESSAGE IN LIEU THEREOF (TOGETHER WITH THE RESTRICTED NOTES DELIVERED BY BOOK-ENTRY TRANSFER OR IN ORIGINAL HARD COPY FORM) MUST BE RECEIVED BY THE EXCHANGE AGENT ON OR PRIOR TO THE EXPIRATION DATE.

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

**Print or
type
See
Specific
Instructions
on page 2.**

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
2 Business name/disregarded entity name, if different from above	
3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) u _____ <input type="checkbox"/> Other (see instructions) u _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
6 City, state, and ZIP code	
7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number
or
Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

**Sign
Here**

Signature of
U.S. person u _____

Date u _____

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN. *If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

- A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B—The United States or any of its agencies or instrumentalities
- C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)
- F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
- G—A real estate investment trust
- H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
- I—A common trust fund as defined in section 584(a)
- J—A bank as defined in section 581
- K—A broker
- L—A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account 1
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor 2
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee 1 The actual owner 1
5. Sole proprietorship or disregarded entity owned by an individual	The owner 3
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity 4
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

1 List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

2 Circle the minor's name and furnish the minor's SSN.

3 You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

4 List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

* **Note.** Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

Instructions for the Requester of Form W-9

(Rev. December 2014)

Request for Taxpayer Identification Number and Certification



Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/w9.

Reminders

Foreign Account Tax Compliance Act (FATCA). FATCA requires a participating foreign financial institution to report all U.S. account holders that are specified U.S. persons. Form W-9 and the Instructions for the Requester of Form W-9 have an *Exemptions* box on the front of the form that includes entry for the *Exempt payee code (if any)* and *Exemption from FATCA Reporting Code (if any)*. The references for the appropriate codes are in the *Exemptions* section of Form W-9, and in the *Payees Exempt from Backup Withholding and Payees and Account Holders Exempt From FATCA Reporting* sections of these instructions.

The *Certification* section in Part II of Form W-9 includes certification relating to FATCA reporting.

Payment card and third party network transactions.

References to payments made in settlement of payment card and third party network transactions are included in the *Purpose of Form* section of Form W-9. For more information, see the *Instructions for Form 1099-K, Payment Card and Third Party Network Transactions* on IRS.gov. Also, visit www.irs.gov/1099k.

Backup withholding rate. The backup withholding rate is 28% for reportable payments.

TIN matching e-services. The IRS website offers TIN Matching e-services for certain payers to validate name and TIN combinations. See *Taxpayer Identification Number (TIN) Matching* on page 4.

How Do I Know When To Use Form W-9?

Use Form W-9 to request the taxpayer identification number (TIN) of a U.S. person (including a resident alien) and to request certain certifications and claims for exemption. (See *Purpose of Form* on Form W-9.) Withholding agents may require signed Forms W-9 from U.S. exempt recipients to overcome a presumption of foreign status. For federal purposes, a U.S. person includes but is not limited to:

- An individual who is a U.S. citizen or U.S. resident alien.
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- Any estate (other than a foreign estate), or

- A domestic trust (as defined in Regulations section 301.7701-7).

A partnership may require a signed Form W-9 from its U.S. partners to overcome a presumption of foreign status and to avoid withholding on the partner's allocable share of the partnership's effectively connected income. For more information, see Regulations section 1.1446-1.

Advise foreign persons to use the appropriate Form W-8 or Form 8233, Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, for more information and a list of the W-8 forms.

Also, a nonresident alien individual may, under certain circumstances, claim treaty benefits on scholarships and fellowship grant income. See Pub. 515 or Pub. 519, U.S. Tax Guide for Aliens, for more information.

Electronic Submission of Forms W-9

Requesters may establish a system for payees and payees' agents to submit Forms W-9 electronically, including by fax. A requester is anyone required to file an information return. A payee is anyone required to provide a taxpayer identification number (TIN) to the requester.

Payee's agent. A payee's agent can be an investment advisor (corporation, partnership, or individual) or an introducing broker. An investment advisor must be registered with the Securities and Exchange Commission (SEC) under the Investment Advisers Act of 1940. The introducing broker is a broker-dealer that is regulated by the SEC and the National Association of Securities Dealers, Inc., and that is not a payer. Except for a broker who acts as a payee's agent for "readily tradable instruments," the advisor or broker must show in writing to the payer that the payee authorized the advisor or broker to transmit the Form W-9 to the payer.

Electronic system. Generally, the electronic system must:

- Ensure the information received is the information sent, and document all occasions of user access that result in the submission;
- Make reasonably certain that the person accessing the system and submitting the form is the person identified on Form W-9, the investment advisor, or the introducing broker;
- Provide the same information as the paper Form W-9;
- Be able to supply a hard copy of the electronic Form W-9 if the Internal Revenue Service requests it; and
- Require as the final entry in the submission an electronic signature by the payee whose name is on

Form W-9 that authenticates and verifies the submission. The electronic signature must be under penalties of perjury and the perjury statement must contain the language of the paper Form W-9.



For Forms W-9 that are not required to be signed, the electronic system need not provide for an electronic signature or a perjury statement.

For more details, see the following.

- Announcement 98-27, which is on page 30 of Internal Revenue Bulletin 1998-15 at www.irs.gov/pub/irs-irbs/irb98-15.pdf.
- Announcement 2001-91, which is on page 221 of Internal Revenue Bulletin 2001-36 at www.irs.gov/pub/irs-irbs/irb01-36.pdf.

Individual Taxpayer Identification Number (ITIN)

Form W-9 (or an acceptable substitute) is used by persons required to file information returns with the IRS to get the payee's (or other person's) correct name and TIN. For individuals, the TIN is generally a social security number (SSN).

However, in some cases, individuals who become U.S. resident aliens for tax purposes are not eligible to obtain an SSN. This includes certain resident aliens who must receive information returns but who cannot obtain an SSN.

These individuals must apply for an ITIN on Form W-7, Application for IRS Individual Taxpayer Identification Number, unless they have an application pending for an SSN. Individuals who have an ITIN must provide it on Form W-9.

Substitute Form W-9

You may develop and use your own Form W-9 (a substitute Form W-9) if its content is substantially similar to the official IRS Form W-9 and it satisfies certain certification requirements.

You may incorporate a substitute Form W-9 into other business forms you customarily use, such as account signature cards. However, the certifications on the substitute Form W-9 must clearly state (as shown on the official Form W-9) that under penalties of perjury:

1. The payee's TIN is correct,
2. The payee is not subject to backup withholding due to failure to report interest and dividend income,
3. The payee is a U.S. person, and
4. The FATCA code entered on this form (if any) indicating that the payee is exempt from FATCA reporting is correct.

You may provide certification instructions on a substitute Form W-9 in a manner similar to the official form. If you are not collecting a FATCA exemption code by omitting that field from the substitute Form W-9 (see *Payees and Account Holders Exempt From FATCA Reporting*, later), you may notify the payee that item 4 does not apply.

You may not:

1. Use a substitute Form W-9 that requires the payee, by signing, to agree to provisions unrelated to the required certifications, or
2. Imply that a payee may be subject to backup withholding unless the payee agrees to provisions on the substitute form that are unrelated to the required certifications.

A substitute Form W-9 that contains a separate signature line just for the certifications satisfies the requirement that the certifications be clearly stated.

If a single signature line is used for the required certifications and other provisions, the certifications must be highlighted, boxed, printed in bold-face type, or presented in some other manner that causes the language to stand out from all other information contained on the substitute form. Additionally, the following statement must be presented to stand out in the same manner as described above and must appear immediately above the single signature line:

"The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding."

If you use a substitute form, you are required to provide the Form W-9 instructions to the payee only if he or she requests them. However, if the IRS has notified the payee that backup withholding applies, then you must instruct the payee to strike out the language in the certification that relates to underreporting. This instruction can be given orally or in writing. See item 2 of the *Certification* on Form W-9. You can replace "defined below" with "defined in the instructions" in item 3 of the *Certification* on Form W-9 when the instructions will not be provided to the payee except upon request. For more information, see Rev. Proc. 83-89, 1983-2 C. B. 613; amplified by Rev. Proc. 96-26, which is on page 22 of Internal Revenue Bulletin 1996-8 at www.irs.gov/pub/irs-irbs/irb96-08.pdf.

TIN Applied for

For interest and dividend payments and certain payments with respect to readily tradable instruments, the payee may return a properly completed, signed Form W-9 to you with "Applied For" written in Part I. This is an "awaiting-TIN" certificate. The payee has 60 calendar days, from the date you receive this certificate, to provide a TIN. If you do not receive the payee's TIN at that time, you must begin backup withholding on payments.

Reserve rule. You must backup withhold on any reportable payments made during the 60-day period if a payee withdraws more than \$500 at one time, unless the payee reserves an amount equal to the current year's backup withholding rate on all reportable payments made to the account.

Alternative rule. You may also elect to backup withhold during this 60-day period, after a 7-day grace period, under one of the two alternative rules discussed below.

Option 1. Backup withhold on any reportable payments if the payee makes a withdrawal from the account after the close of 7 business days after you receive the awaiting-TIN certificate. Treat as reportable payments all cash withdrawals in an amount up to the reportable payments made from the day after you receive the awaiting-TIN certificate to the day of withdrawal.

Option 2. Backup withhold on any reportable payments made to the payee's account, regardless of whether the payee makes any withdrawals, beginning no later than 7 business days after you receive the awaiting-TIN certificate.



The 60-day exemption from backup withholding does not apply to any payment other than interest, dividends, and certain payments relating to readily tradable instruments. Any other reportable

payment, such as nonemployee compensation, is subject to backup withholding immediately, even if the payee has applied for and is awaiting a TIN.

Even if the payee gives you an awaiting-TIN certificate, you must backup withhold on reportable interest and dividend payments if the payee does not certify, under penalties of perjury, that the payee is not subject to backup withholding.

If you do not collect backup withholding from affected payees as required, you may become liable for any uncollected amount.

Payees Exempt From Backup Withholding

The following payees are exempt from backup withholding with respect to the payments below, and should enter the corresponding exempt payee code on Form W-9. If a payee is not exempt, you are required to backup withhold on reportable payments if the payee does not provide a TIN in the manner required or sign the certification, if required.

1. An organization exempt from tax under section 501 (a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401 (f)(2);
2. The United States or any of its agencies or instrumentalities;
3. A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions, agencies, or instrumentalities;
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities; or
5. A corporation;
6. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession;
7. A futures commission merchant registered with the Commodity Futures Trading Commission;
8. A real estate investment trust;
9. An entity registered at all times during the tax year under the Investment Company Act of 1940;
10. A common trust fund operated by a bank under section 584(a);
11. A financial institution;
12. A middleman known in the investment community as a nominee or custodian; or
13. A trust exempt from tax under section 664 or described in section 4947.

The following types of payments are exempt from backup withholding as indicated for payees listed in 1 through 13, above.

Interest and dividend payments. All listed payees are exempt except the payee in item 7.

Broker transactions. All payees listed in items 1 through 4 and 6 through 11 are exempt. Also, C corporations are exempt. A person registered under the Investment Advisers Act of 1940 who regularly acts as a broker is also exempt.

Barter exchange transactions and patronage dividends. Only payees listed in items 1 through 4 are exempt.

Payments reportable under sections 6041 and 6041A. Payees listed in items 1 through 5 are generally exempt.

However, the following payments made to a corporation and reportable on Form 1099-MISC, Miscellaneous Income, are not exempt from backup withholding.

- Medical and health care payments.
- Attorneys' fees (also gross proceeds paid to an attorney, reportable under section 6045(f)).
- Payments for services paid by a federal executive agency. (See Rev. Rul. 2003-66, which is on page 1115 of Internal Revenue Bulletin 2003-26 at www.irs.gov/pub/irs-irbs/irb03-26.pdf.)

Payments made in settlement of payment card or third party network transactions. Only payees listed in items 1 through 4 are exempt.

Payments Exempt From Backup Withholding

Payments that are not subject to information reporting also are not subject to backup withholding. For details, see sections 6041, 6041A, 6042, 6044, 6045, 6049, 6050A, 6050N, and 6050W and their regulations. The following payments are generally exempt from backup withholding.

Dividends and patronage dividends

- Payments to nonresident aliens subject to withholding under section 1441.
- Payments to partnerships not engaged in a trade or business in the United States and that have at least one nonresident alien partner.
- Payments of patronage dividends not paid in money.
- Payments made by certain foreign organizations.
- Section 404(k) distributions made by an ESOP.

Interest payments

- Payments of interest on obligations issued by individuals. However, if you pay \$600 or more of interest in the course of your trade or business to a payee, you must report the payment. Backup withholding applies to the reportable payment if the payee has not provided a TIN or has provided an incorrect TIN.
- Payments described in section 6049(b)(5) to nonresident aliens.
- Payments on tax-free covenant bonds under section 1451.
- Payments made by certain foreign organizations.
- Mortgage or student loan interest paid to you.

Other types of payment

- Wages.
- Distributions from a pension, annuity, profit-sharing or stock bonus plan, any IRA, an owner-employee plan, or other deferred compensation plan.
- Distributions from a medical or health savings account and long-term care benefits.
- Certain surrenders of life insurance contracts.
- Distribution from qualified tuition programs or Coverdell ESAs.
- Gambling winnings if regular gambling winnings withholding is required under section 3402(q). However, if regular gambling winnings withholding is not required under section 3402(q), backup withholding applies if the payee fails to furnish a TIN.
- Real estate transactions reportable under section 6045(e).
- Cancelled debts reportable under section 6050P.

- Fish purchases for cash reportable under section 6050R.

Payees and Account Holders Exempt From FATCA Reporting

Reporting under chapter 4 (FATCA) with respect to U.S. persons generally applies only to foreign financial institutions (FFI) (including a branch of a U.S. financial institution that is treated as an FFI under an applicable intergovernmental agreement (IGA)). Thus, for example, a U.S. financial institution maintaining an account in the United States does not need to collect an exemption code for FATCA reporting. If you are providing a Form W-9, you may pre-populate the FATCA exemption code with "Not Applicable," "N/A," or a similar indication that an exemption from FATCA reporting does not apply. Any payee that provides such a form, however, cannot be treated as exempt from FATCA reporting. For details on the FATCA reporting requirements, including specific information regarding which financial institutions are required to report, see sections 1471 to 1474 and related regulations. See Regulations section 1.1471-3(d) (2) for when an FFI may rely on documentary evidence to treat a U.S. person as other than a specified U.S. person and see Regulations section 1.1471-3(f)(3) for when an FFI may presume a U.S. person as other than a specified U.S. person.

If you receive a Form W-9 with a FATCA exemption code and you know or have reason to know the person is a specified U.S. person, you may not rely on the Form W-9 to treat the person as exempt from FATCA reporting. However, you may still rely on an otherwise completed Form W-9 to treat a person as a specified U.S. person. An exemption from FATCA reporting (or lack thereof) does not affect backup withholding as described earlier in these instructions. The following are not specified U.S. persons and are thus exempt from FATCA reporting:

- A. An organization exempt from tax under section 501(a), or any individual retirement plan as defined in section 7701(a)(37);
- B. The United States or any of its agencies or instrumentalities;
- C. A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions, agencies, or instrumentalities;
- D. A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i);
- E. A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i);
- F. A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State;
- G. A real estate investment trust;
- H. A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940;
- I. A common trust fund as defined in section 584(a);
- J. A bank as defined in section 581;

- K. A broker;
- L. A trust exempt from tax under section 664 or described in section 4947; or
- M. A tax-exempt trust under a section 403(b) plan or section 457(g) plan.

Joint Foreign Payees

If the first payee listed on an account gives you a Form W-8 or a similar statement signed under penalties of perjury, backup withholding applies unless:

1. Every joint payee provides the statement regarding foreign status, or
2. Any one of the joint payees who has not established foreign status gives you a TIN.

If any one of the joint payees who has not established foreign status gives you a TIN, use that number for purposes of backup withholding and information reporting.

For more information on foreign payees, see the Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY.

Names and TINs To Use for Information Reporting

Show the full name and address as provided on Form W-9 on the information return filed with the IRS and on the copy furnished to the payee. If you made payments to more than one payee or the account is in more than one name, enter on the first name line of the information return only the name of the payee whose TIN is shown on Form W-9. You may show the names of any other individual payees in the area below the first name line on the information return. Forms W-9 showing an ITIN must have the name exactly as shown on line 1a of the Form W-7 application.



For more information on the names and TINs to use for information reporting, see section J of the General Instructions for Certain Information Returns.

Notices From the IRS

The IRS will send you a notice if the payee's name and TIN on the information return you filed do not match the IRS's records. (See *Taxpayer Identification Number (TIN) Matching*.) You may have to send a "B" notice to the payee to solicit another TIN. Pub. 1281, *Backup Withholding for Missing and Incorrect Name/TIN(s)*, contains copies of the two types of "B" notices.

Taxpayer Identification Number (TIN) Matching

TIN Matching allows a payer or authorized agent who is required to file Forms 1099-B, DIV, INT, K, MISC, OID, and/or PATR to match TIN and name combinations with IRS records before submitting the forms to the IRS. TIN Matching is one of the e-services products that is offered and is accessible through the IRS website. Go to IRS.gov and enter e-services in the search box. It is anticipated that payers who validate the TIN and name combinations before filing information returns will receive fewer backup withholding (CP2100) notices and penalty notices.

Additional Information

For more information on backup withholding, see Pub. 1281.

Questions and requests for assistance may be directed to the information agent and exchange agent at its address and telephone number set forth below. Additional copies of the Prospectus, this Letter of Transmittal or other materials related to the exchange offers may be obtained from the information agent and exchange agent or from brokers, dealers, commercial banks or trust companies.

The information agent and exchange agent for the exchange offers is:

U. S. Bank National Association

By Mail or in Person

U. S. Bank National Association
Attn: Corporate Actions
111 Fillmore Avenue
St. Paul, MN 55107-1402

By Email or Facsimile Transmission (for Eligible Institutions Only)

Email: cts.specfinance@usbank.com
Facsimile: (651) 466-7367

For Information and to Confirm by Telephone
(800) 934-6802

Valvoline Inc.

OFFERS TO EXCHANGE

**\$375,000,000 OUTSTANDING 5.500% SENIOR NOTES DUE 2024
FOR
REGISTERED 5.500% SENIOR NOTES DUE 2024**

**FULLY AND UNCONDITIONALLY GUARANTEED AS TO PAYMENT OF PRINCIPAL AND
INTEREST BY THE GUARANTORS**

AND

**\$400,000,000 OUTSTANDING 4.375% SENIOR NOTES DUE 2025
FOR
REGISTERED 4.375% SENIOR NOTES DUE 2025**

**FULLY AND UNCONDITIONALLY GUARANTEED AS TO PAYMENT OF PRINCIPAL AND
INTEREST BY THE GUARANTORS**

**PURSUANT TO THE PROSPECTUS
DATED , 2017**

**THE EXCHANGE OFFERS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON , 2017 UNLESS EXTENDED (THE
“EXPIRATION DATE”). TENDERS IN THE EXCHANGE OFFERS MAY BE WITHDRAWN AT ANY TIME PRIOR TO 12:00 MIDNIGHT, NEW
YORK CITY TIME, ON THE EXPIRATION DATE.**

To Registered Holders and Depository Trust Company Participants:

We are enclosing herewith the material listed below relating to the offers by Valvoline Inc., a Kentucky corporation (“Valvoline”), to exchange all of its issued and outstanding 5.500% Senior Notes due 2024 (the “2024 Restricted Notes”) for an equivalent principal amount of registered 5.500% Senior Notes due 2024 (the “2024 Exchange Notes”), and all of its outstanding 4.375% Senior Notes due 2025 (the “2025 Restricted Notes”) for an equivalent principal amount of registered 4.375% Senior Notes due 2025 (the “2025 Exchange Notes”), upon the terms and subject to the conditions set forth in the prospectus, dated , 2017 (the “Prospectus”), and the related Letter of Transmittal (which together constitute the “exchange offers”). The 2024 Restricted Notes and the 2025 Restricted Notes are collectively referred to as the “Restricted Notes.” The 2024 Exchange Notes and the 2025 Exchange Notes are collectively referred to as the “Exchange Notes.” All references to the Exchange Notes and Restricted Notes include references to the related guarantees, as appropriate.

Enclosed herewith are copies of the following documents:

1. Prospectus, dated , 2017;
2. Letter of Transmittal (together with accompanying IRS Form W-9 and related Guidelines);
3. Letter that may be sent to your clients for whose account you hold Restricted Notes in your name or in the name of your nominee; and
4. Letter that may be sent from your clients to you with such clients’ instruction with regard to the exchange offers (included in item 3 above).

We urge you to contact your clients promptly. Please note that the exchange offers will expire on the Expiration Date unless extended. The exchange offers are not conditioned upon any minimum number of Restricted Notes being tendered.

Pursuant to the Letter of Transmittal, each holder of Restricted Notes will represent to Valvoline that:

- it is not an affiliate of Valvoline within the meaning of Rule 405 of the Securities Act or, if it is such an affiliate, it will comply with the registration and prospectus delivery requirements of the Securities Act, to the extent applicable;
- it is not participating, and it has no arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of the Exchange Notes in violation of the provisions of the Securities Act;
- if it is a broker-dealer, it has not entered into any arrangement or understanding with Valvoline or any of Valvoline's affiliates to distribute the Exchange Notes;
- it is acquiring the Exchange Notes in the ordinary course of its business; and
- it is not acting on behalf of any person or entity that could not truthfully make these representations.

If the exchange offeree is a broker-dealer holding Restricted Notes acquired for its own account as a result of market-making activities or other trading activities, it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of Exchange Notes received in respect of such Restricted Notes pursuant to the exchange offers.

If the holder is a broker-dealer that will receive Exchange Notes for its own account in exchange for Restricted Notes, it acknowledges that it will deliver a prospectus in connection with any resale of such Exchange Notes.

The enclosed Letter to Clients contains an authorization by the beneficial owners of the Restricted Notes for you to make the foregoing representations.

Valvoline will not pay any fee or commission to any broker or dealer or to any other persons (other than the exchange agent) in connection with the solicitation of tenders of Restricted Notes pursuant to the exchange offers. Valvoline will pay or cause to be paid any transfer taxes payable on the transfer of Restricted Notes to it, except as otherwise provided in Instruction 6 of the enclosed Letter of Transmittal.

Additional copies of the enclosed materials may be obtained from the information agent and exchange agent by calling U.S. Bank National Association at (800) 934-6802.

Very truly yours,

VALVOLINE INC.

Valvoline Inc.

OFFERS TO EXCHANGE

**\$375,000,000 OUTSTANDING 5.500% SENIOR NOTES DUE 2024
FOR
REGISTERED 5.500% SENIOR NOTES DUE 2024**

**FULLY AND UNCONDITIONALLY GUARANTEED AS TO PAYMENT OF PRINCIPAL AND
INTEREST BY THE GUARANTORS**

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FOR
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**FULLY AND UNCONDITIONALLY GUARANTEED AS TO PAYMENT OF PRINCIPAL AND
INTEREST BY THE GUARANTORS**

**PURSUANT TO THE PROSPECTUS
DATED , 2017**

THE EXCHANGE OFFERS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON , 2017 UNLESS EXTENDED (THE "EXPIRATION DATE"). TENDERS IN THE EXCHANGE OFFERS MAY BE WITHDRAWN AT ANY TIME PRIOR TO 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THE EXPIRATION DATE.

To Our Clients:

We are enclosing a prospectus, dated , 2017 (the "Prospectus") of Valvoline Inc., a Kentucky corporation ("Valvoline"), and a related Letter of Transmittal (which together constitute the "exchange offers") relating to the offers by Valvoline to exchange all of its issued and outstanding 5.500% Senior Notes due 2024 (the "2024 Restricted Notes") for an equivalent principal amount of registered 5.500% Senior Notes due 2024 (the "2024 Exchange Notes"), and all of its outstanding 4.375% Senior Notes due 2025 (the "2025 Restricted Notes") for an equivalent principal amount of registered 4.375% Senior Notes due 2025 (the "2025 Exchange Notes"), respectively, pursuant to a registration statement of which the Prospectus is a part, upon the terms and subject to the conditions set forth in the exchange offers. The 2024 Restricted Notes and the 2025 Restricted Notes are collectively referred to as the "Restricted Notes." The 2024 Exchange Notes and the 2025 Exchange Notes are collectively referred to as the "Exchange Notes." All references to the Exchange Notes and Restricted Notes include references to the related guarantees, as appropriate.

The exchange offers are not conditioned upon any minimum number of Restricted Notes being tendered.

We are the holder of record of Restricted Notes held by us for your account. A tender of such Restricted Notes can be made only by us as the record holder and pursuant to your instructions. The enclosed Letter of Transmittal is furnished to you for your information only and cannot be used by you to tender Restricted Notes held by us for your account.

We request instructions as to whether you wish to tender any or all of the Restricted Notes held by us for your account pursuant to the terms and conditions of the exchange offers. We also request that you confirm that we may on your behalf make the representations and warranties contained in the Letter of Transmittal.

PLEASE RETURN YOUR INSTRUCTIONS TO US IN THE ENCLOSED ENVELOPE WITHIN AMPLE TIME TO PERMIT US TO SUBMIT A TENDER ON YOUR BEHALF PRIOR TO THE EXPIRATION DATE.

**INSTRUCTIONS TO REGISTERED HOLDER AND/OR
DEPOSITORY TRUST COMPANY PARTICIPANT**

To Registered Holder and/or Participant of The Depository Trust Company:

The undersigned hereby acknowledges receipt of the prospectus, dated _____, 2017 (the "Prospectus") of Valvoline Inc., a Kentucky corporation ("Valvoline"), and the accompanying Letter of Transmittal, that together constitute the offers by Valvoline (the "exchange offers") to exchange all of its issued and outstanding 5.500% Senior Notes due 2024 (the "2024 Restricted Notes") for an equivalent principal amount of registered 5.500% Senior Notes due 2024 (the "2024 Exchange Notes"), and all of its outstanding 4.375% Senior Notes due 2025 (the "2025 Restricted Notes") for an equivalent principal amount of registered 4.375% Senior Notes due 2025 (the "2025 Exchange Notes"), respectively, pursuant to a registration statement of which the Prospectus is a part, upon the terms and subject to the conditions set forth in the exchange offers. Certain terms used but not defined herein have the meanings ascribed to them in the Prospectus. The 2024 Restricted Notes and the 2025 Restricted Notes are collectively referred to as the "Restricted Notes." The 2024 Exchange Notes and the 2025 Exchange Notes are collectively referred to as the "Exchange Notes." All references to the Exchange Notes and Restricted Notes include references to the related guarantees, as appropriate.

This will instruct you, the registered holder and/or participant of The Depository Trust Company, as to the action to be taken by you relating to the exchange offers with respect to the Restricted Notes held by you for the account of the undersigned.

The aggregate face amount of the Restricted Notes held by you for the account of the undersigned is (fill in amount):

\$ _____ of the 5.500% Senior Notes due 2024.

\$ _____ of the 4.375% Senior Notes due 2025.

With respect to the exchange offers, the undersigned hereby instructs you (check all applicable boxes):

- To TENDER the following Restricted Notes held by you for the account of the undersigned (insert principal amount of Restricted Notes to be tendered (if any)):
- \$ _____ of the 5.500% Senior Notes due 2024.
- \$ _____ of the 4.375% Senior Notes due 2025.
- NOT to TENDER any Restricted Notes held by you for the account of the undersigned.

If the undersigned instructs you to tender the Restricted Notes held by you for the account of the undersigned, it is understood that you are authorized to make, on behalf of the undersigned (and the undersigned by its signature below, hereby makes to you), the representations and warranties contained in the Letter of Transmittal that are to be made with respect to the undersigned as a beneficial owner, including but not limited to the representations, that:

- it is not an affiliate of Valvoline within the meaning of Rule 405 of the Securities Act or, if it is such an affiliate, it will comply with the registration and prospectus delivery requirements of the Securities Act, to the extent applicable;
- it is not participating, and it has no arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of the Exchange Notes in violation of the provisions of the Securities Act;
- if it is a broker-dealer, it has not entered into any arrangement or understanding with Valvoline or any of Valvoline's affiliates to distribute the Exchange Notes;
- it is acquiring the Exchange Notes in the ordinary course of its business; and

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- it is not acting on behalf of any person or entity that could not truthfully make these representations.

If the exchange offeree is a broker-dealer holding Restricted Notes acquired for its own account as a result of market-making activities or other trading activities, it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of Exchange Notes received in respect of such Restricted Notes pursuant to the exchange offers.

If the undersigned is a broker-dealer that will receive Exchange Notes for its own account in exchange for Restricted Notes, it acknowledges that it will deliver a prospectus in connection with any resale of such Exchange Notes.

SIGN HERE

Name(s) of beneficial owner(s):

Signature(s):

Name(s):

(Please Print)

Address(es):

Telephone Number(s):

Taxpayer Identification or Social Security Number(s):

Date: